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1947

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U. S. DEPT. OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C.  
JUL 11 1947





# C O N T E N T S

(Volume 1)

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UNITED STATES DEPARTMENT OF AGRICULTURE

Budget Estimates, 1947 Compared with Appropriations, 1946  
and Estimated Supplementals for Federal Employees Pay Act 1/

Note.--Figures in brackets [ ] not included in totals. Figures shown for individual appropriation items in 1946 exclude estimated costs of overtime pay, which are shown in a single lump-sum entry at the end of this table.

Item	Appropriations, :		
	1946 and esti- : mated Pay Act : supplementals : 2/ :	Budget : estimates, : 1947 : :	Increase (+) or decrease (-)
<u>Appropriated Funds</u>			
OFFICE OF THE SECRETARY	:	:	:
(Salaries and expenses) ..	\$1,625,193 :	\$1,838,500 :	3/ +\$213,307
PENALTY MAIL (Section 2,	:	:	:
Public Law 364, 78th Cong.) :	3,238,740 :	3,186,000 :	-52,740
OFFICE OF SOLICITOR (Salaries:	:	:	:
and expenses) .....	2,072,973 :	2,264,000 :	+191,027
OFFICE OF INFORMATION:	:	:	:
Salaries and expenses ...	514,411 :	578,500 :	3/ +64,089
Printing and binding ....	1,000,000 :	1,145,000 :	3/ +145,000
Total .....	1,514,411 :	1,723,500 :	+209,089
LIBRARY (Salaries and	:	:	:
expenses) .....	540,111 :	552,000 :	+11,889
BUREAU OF AGRICULTURAL	:	:	:
ECONOMICS:	:	:	:
Economic investigations :	2,377,957 :	2,409,000 :	3/ +31,043
Crop and livestock	:	:	:
estimates .....	1,706,285 :	2,144,000 :	3/ +437,715
Total .....	4,084,242 :	4,553,000 :	+468,758

- 1/ Since 1947 Budget estimates for government corporations will be submitted to Congress as a supplement to the regular Budget, and as provided by the Government Corporation Control Act, approved December 6, 1945, Budget estimates, 1947, and appropriations and authorizations, 1946, for Federal Crop Insurance Corporation, Commodity Credit Corporation and Federal Farm Mortgage Corporation are not shown in this table.
- 2/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.
- 3/ Budget estimates provide estimated changes in working funds in 1947 as compared with 1946 (excluding overtime) by direct appropriation and transfer, as follows: Office of the Secretary, -\$76,223; Office of Solicitor, +\$95,400; Office of Information, salaries and expenses, -\$89,278, and printing and binding, +\$120,815; Bureau of Agricultural Economics, economic investigations, -\$34,457, and crop and livestock estimates, +\$275,235.



Item	Appropriations,:		
	1946 and esti- mated Pay Act supplementals	Budget estimates, 1947	Increase (+) or decrease (-)
	1/		
OFFICE OF FOREIGN AGRICUL- TURAL RELATIONS (Salaries and expenses) .....	576,307	650,000	+73,693
EXTENSION SERVICE:			
Payments to States:			
Canner-Ketcham Act ...	1,480,000	1,480,000	- -
Bankhead-Jones Act,			
Title II:			
Section 21 .....	12,000,000	12,000,000	- -
Section 23 .....	4,500,000	8,500,000	+4,000,000
Additional extension			
work .....	555,000	555,000	- -
Alaska .....	23,950	23,950	- -
Puerto Rico .....	140,000	140,000	- -
Cooperative agricultural			
extension work			
(permanent) .....	4,704,710	4,704,710	- -
Total, payments to			
States .....	23,403,660	27,403,660	+4,000,000
Salaries and expenses:			
Administration and			
coordination of			
extension work .....	747,735	776,900	+29,165
Total .....	24,151,395	28,180,560	+4,029,165
AGRICULTURAL RESEARCH			
ADMINISTRATION:			
OFFICE OF ADMINISTRATOR			
(Salaries and expenses):	320,252	460,500	+140,248
SPECIAL RESEARCH FUND ..	1,190,079	1,193,000	+2,921
OFFICE OF EXPERIMENT			
STATIONS:			
Payments to States:			
Hatch Act .....	720,000	720,000	- -
Adams Act .....	720,000	720,000	- -
Purnell Act .....	2,880,000	2,880,000	- -
Bankhead-Jones Act:	2,663,708	3,000,000	+336,292
Hawaii .....	90,000	90,000	- -
Alaska .....	42,500	52,500	+10,000
Puerto Rico .....	90,000	90,000	- -
Total, payments			
to States ..	7,206,208	7,552,500	+346,292

1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.

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Item	Appropriations, 1946 and esti- mated Pay Act supplementals 1/	Budget estimates, 1947	Increase (+) or decrease (-)
AGRICULTURAL RESEARCH			
ADMINISTRATION - Cont.			
OFFICE OF EXPERIMENT			
STATIONS - Cont.			
Salaries and expenses:			
Administration of			
grants and coordina-			
tion of research with			
States .....	172,000	173,000	+1,000
Federal experiment			
station, Puerto Rico.	107,200	170,200	+63,000
Total, salaries and			
expenses .....	279,200	343,200	+64,000
Total .....	7,485,408	7,895,700	+410,292
BUREAU OF ANIMAL INDUSTRY			
(Salaries and expenses):			
Animal husbandry .....	921,390	994,000	+72,610
Diseases of animals ...	775,150	895,000	+119,850
Eradicating tuberculosis			
and Bang's disease:			
Direct appropriation.	5,420,160	6,750,000	+1,329,840
Reappropriation .....	800,000	- - -	-800,000
Inspection and quarantine:	1,117,039	1,125,000	+7,961
Meat Inspection .....	9,160,000	9,160,000	- -
Virus Serum Toxin Act..	277,860	300,000	+22,140
Total .....	18,471,599	19,224,000	+752,401
BUREAU OF DAIRY INDUSTRY			
(Salaries and expenses).	827,700	1,011,000	+183,300
BUREAU OF PLANT INDUSTRY,			
SOILS, AND AGRICULTURAL			
ENGINEERING (Salaries and			
expenses):			
Field crops .....	2,187,220	2,518,700	+331,480
Fruit, vegetable, and			
specialty crops .....	1,746,200	2,061,000	+314,800
Forest diseases .....	279,600	321,500	+41,900
Soils, fertilizers, and			
irrigation .....	1,000,300	1,505,000	+504,700
Agricultural engineering	484,300	610,500	+126,200
National Arboretum ....	30,900	31,000	+100
Total .....	5,728,520	7,047,700	+1,319,180

1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.

Item	Appropriations: 1946 and esti- mated Pay Act supplementals 1/	Budget estimates, 1947	Increase (+) or decrease (-)
AGRICULTURAL RESEARCH			
ADMINISTRATION - Cont.			
BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE:			
Salaries and expenses:			
Insect investigations:	2,342,700	2,579,000	+236,300
Insect and plant disease: control .....	2,562,000	2,945,000	+383,000
Foreign plant quarantines:	1,356,100	1,177,000	-179,100
Total, salaries and expenses .....	6,260,800	6,701,000	+440,200
Control of emergency outbreaks of insects and: plant diseases .....	2,657,000	2,800,000	+143,000
Total .....	8,917,800	9,501,000	+583,200
BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY:			
Salaries and expenses:			
Agricultural chemical investigations .....	388,700	576,000	+187,300
Naval stores investiga- tions .....	140,400	140,000	-400
Regional research laboratories .....	4,434,000	4,450,000	+16,000
Total .....	4,963,100	5,166,000	+202,900
BUREAU OF HUMAN NUTRITION AND HOME ECONOMICS (Salaries and expenses).			
	911,025	917,000	+5,975
WHITE PINE BLISTER RUST CONTROL:			
Bureau of Entomology and Plant Quarantine .....	1,456,363	3,754,111	+2,297,748
Forest Service .....	1,358,940	2,599,471	+1,240,531
Department of the Interior	285,421	646,418	+360,997
Total .....	3,100,724	7,000,000	+3,899,276

1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.



Item	Appropriations, 1946 and esti- mated Pay Act supplementals 1/	Budget estimates, 1947	Increase (+) or decrease (-)
<b>FOREST SERVICE:</b>			
Salaries and expenses:			
General administrative expenses .....	606,660	610,000	+3,340
National forest protection and management .....	18,926,011	20,915,000	+1,988,989
Fighting forest fires ....	100,000	100,000	- -
Forest and range management investigations .....	1,449,581	1,706,000	+256,419
Forest products .....	1,379,986	1,385,000	+5,014
Forest resources investi- gations .....	225,451	1,072,000	+846,549
Total, salaries and expenses .....	22,687,689	25,788,000	+3,100,311
Forest fire cooperation ...	7,334,848	8,300,000	+965,152
Farm and other private forestry cooperation .....	762,909	771,500	+8,591
Acquisition of lands for national forests .....	- -	3,000,000	+3,000,000
Acquisition of land from national forest receipts..	- -	392,000	+392,000
Payments to States and territories from national forest fund (permanent) ..	4,001,000	3,900,000	-101,000
Payments to school funds, Arizona and New Mexico, national forest fund (permanent) .....	40,000	40,000	- -
Roads and trails for States, national forest fund (permanent) .....	1,579,000	1,560,000	-19,000
Total .....	36,405,446	43,751,500	+7,346,054
<b>FOREST ROADS AND TRAILS ....</b>	<b>10,300,933</b>	<b>36,214,222</b>	<b>+25,913,289</b>
<b>EMERGENCY RUBBER PROJECT :</b>			
(Reappropriation) .....	4,106,814	- -	-4,106,814
<b>SOIL CONSERVATION SERVICE:</b>			
Soil conservation research.	1,271,500	1,278,000	+6,500
Soil conservation operations	32,673,100	36,800,000	+4,126,900
Total .....	33,944,600	38,078,000	+4,133,400

1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.

Item	Appropriations:		
	1946 and estimated Pay Act supplemental's 1/	Budget estimates, 1947	Increase (+) or decrease (-)
LAND UTILIZATION AND RETIREMENT OF SUBMARGINAL LAND (TITLE III, FARM TENANT ACT):	1,213,750	1,453,000	+239,250
Payments to counties, submarginal land program (permanent).....	140,000	145,000	+5,000
WATER CONSERVATION AND UTILIZATION PROJECTS .....	1,155,673	700,000	-455,673
PRODUCTION AND MARKETING ADMINISTRATION:			
CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES:			
Direct appropriation (excludes special flax program and special seed program) .....	300,263,462	257,500,000	-42,763,462
Special flax program ..	29,750,000	- -	-29,750,000
Special seed program ..	12,500,000	12,500,000	- -
Reappropriation from "Parity payments" balance .....	13,000,000	- -	-13,000,000
Total .....	355,513,462	270,000,000	-85,513,462
SUGAR ACT .....	48,431,131	55,000,000	+6,568,869
EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL COMMODITIES (Section: 32 funds):			
Permanent appropriation (30% of customs receipts) 2/ .....	114,162,316	118,000,000	+3,837,684
Reappropriation .....	- -	88,000,000	+88,000,000
Total .....	114,162,316	206,000,000	+91,837,684

- 1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.
- 2/ Including \$7,500,000 authorized in First Deficiency Appropriation Act, a total of \$57,500,000 of this appropriation is available in 1946 for the school lunch and milk program. Under the Budget estimate, \$50,000,000 is so available for 1947.



Item	Appropriations:		Increase (+) or decrease (-)
	1946 and esti- mated Pay Act supplementals	Budget estimates, 1947	
	1/		
<b>MARKETING SERVICES:</b>			
Market news service .....	1,244,800	1,252,000	+7,200
Market inspection of farm products .....	531,590	536,000	+4,410
Marketing farm products ..	437,885	1,901,500	+1,463,615
Tobacco Acts .....	1,049,400	1,119,000	+69,600
Perishable Agricultural Commodities, Produce Agency and Standard Container Acts .....	202,400	214,800	+12,400
Cotton Statistics, Classing, Standards and Futures Acts	1,156,500	1,274,000	+117,500
United States Grain Standards Act .....	836,700	940,000	+103,300
United States Warehouse Act	557,580	584,000	+26,420
Federal Seed Act .....	114,060	137,000	+22,940
Packers and Stockyards Act	404,300	464,500	+60,200
Naval Stores Act .....	33,900	33,800	-100
Insecticide Act .....	237,250	262,500	+25,250
Commodity Exchange Act ...	335,780	645,000	+309,220
Freight rates for farm products .....	94,765	123,000	+28,235
Total .....	7,236,910	9,487,100	+2,250,190
<b>WAR FOOD ADMINISTRATION</b>			
(Salaries and expenses) .	11,686,402	- -	-11,686,402
<b>LOANS, GRANTS, AND RURAL REHABILITATION:</b>			
Appropriated funds .....	25,218,364	24,000,000	-1,218,364
Loans (RFC funds) .....	[67,500,000]	[67,500,000]	[- -]
<b>FARM TENANCY (TITLE I, FARM TENANT ACT):</b>			
Salaries and expenses .....	2,815,775	2,804,000	-11,775
Loans (RFC funds) .....	[50,000,000]	[50,000,000]	[- -]
<b>WATER FACILITIES, ARID AND SEMIARID AREAS .....</b>			
	1,021,300	1,000,000	-21,300
<b>FLOOD LOANS AND GRANTS TO FARMERS (Reappropriation) ..</b>			
	2,000,000	- -	-2,000,000

1/ Where necessary, figures are adjusted for comparability on basis of appropriation set-up in 1947 Budget estimates.

Item	: Appropriations, :		: Increase (+)
	: 1946 and esti- :	: Budget estimates, :	
	: mated Pay Act :	: 1947 :	: or decrease (-)
	: supplementals :		
	: 1/ :		
<hr/>			
RURAL ELECTRIFICATION			
ADMINISTRATION:			
Administrative expenses:			
Direct appropriation.	4,285,000	5,000,000	+715,000
Reappropriation	331,965	-	-331,965
Loans (RFC funds)	[200,000,000]	[250,000,000]	[+50,000,000]
Total	4,616,965	5,000,000	+383,035
<hr/>			
FARM CREDIT ADMINISTRATION:			
Salaries and expenses:			
Direct appropriation	585,670	584,000	-1,670
Transfer from farmers' crop production and harvesting loans...	[4,311,034]	[4,569,300]	[+258,266]
Amounts chargeable against activities administered by FCA.	[2,958,607]	[2,806,700]	[-151,907]
Farmers' crop production and harvesting loans:			
Direct appropriation	-	5,000,000	+5,000,000
Reappropriation:			
Unobligated balances from prior years.	10,984,102	5,336,068	-5,648,034
Estimated collections to be available	16,663,000	18,118,000	+1,455,000
Total	28,232,772	29,038,068	+805,296

1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.

Item	Appropriations, 1946 and estimated Pay Act supplements 1/			Budget estimates, 1947	Increase (+) or decrease (-)
TOTAL, APPROPRIATIONS AND REAPPROPRIATIONS (excluding estimated overtime costs) .....	777,922,192			825,034,350	+47,112,158
Estimated overtime costs on above items .....	3,760,412			- -	-3,760,412
TOTAL, APPROPRIATIONS AND REAPPROPRIATIONS .....	2/ 781,682,604			825,034,350	+43,351,746
DEDUCT REAPPROPRIATIONS INCLUDED IN FOREGOING:					
Bureau of Animal Industry:					
Eradicating tuberculosis and Bang's disease ...	800,000			- -	-800,000
Emergency rubber project .....	4,106,814			- -	-4,106,814
Conservation and use of agricultural land resources .....	13,000,000			- -	-13,000,000
Exportation and domestic consumption of agricultural commodities .....	- -			88,000,000	+88,000,000
Loans, grants, and rural rehabilitation .....	198,000			- -	-198,000
Flood loans and grants to farmers .....	2,000,000			- -	-2,000,000

1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.

2/ Includes amounts appropriated in supplemental acts as follows: Act of June 12, 1945, Public Law 82--Flood loans and grants to farmers, \$2,000,000 reappropriation; Second Deficiency Appropriation Act, 1945--Office of Solicitor, \$130,000, Extension Service, \$4,500,000, Conservation and use of agricultural land resources, \$408,000, and Rural Electrification Administration, \$650,000 direct appropriation and \$331,965 reappropriation; and First Deficiency Appropriation Act, 1946--Entomology and Plant Quarantine, \$187,500, Forest Service, \$300,000, Forest roads and trails, \$4,000,000, and Marketing Services, \$26,500. Excludes \$25,000,000 appropriated on calendar year basis for the farm labor program, since no estimate for this item is included in the 1947 Budget. Also excludes the following amounts carried for rescission in H. R. 4407: Emergency rubber project, \$1,649,790, and War Food Administration, \$3,116,894.



Item	Appropriations, 1946 and esti- mated Pay Act supplementals 1/	Budget estimates, 1947	Increase (+) or decrease (-)
DEDUCT REAPPROPRIATIONS			
INCLUDED IN FOREGOING-Cont.			
Rural Electrification Administration (Adminis- trative expenses) .....	331,965	- -	-331,965
Farm Credit Administra- tion:			
Farmers' crop produc- tion and harvesting loans .....	27,647,102	23,454,068	-4,193,034
Estimated overtime costs on above items .....	96,361	- -	-96,361
Total deductions, as above .....	48,180,242	111,454,068	+63,273,826
TOTAL, DIRECT APPROPRIATIONS: 2/	733,502,362	713,580,282	-19,922,080

Authorizations to Borrow from RFC

[Listed above, but not included in totals]

Rural rehabilitation loans.	67,500,000	67,500,000	- -
Farm tenancy loans .....	50,000,000	50,000,000	- -
Rural electrification loans : 3/	200,000,000	250,000,000	+50,000,000
TOTAL AUTHORIZATIONS TO BORROW FROM RFC .....	317,500,000	367,500,000	+50,000,000

- 1/ Where necessary, figures are adjusted for comparability on basis of appropriation setup in 1947 Budget estimates.
- 2/ Includes amounts appropriated in supplemental acts as follows: Second Deficiency Appropriation Act, 1945--Office of Solicitor, \$130,000, Extension Service, \$4,500,000, Conservation and use of agricultural land resources, \$408,000, and Rural Electrification Administration, \$650,000; and First Deficiency Appropriation Act, 1946--Entomology and Plant Quarantine, \$187,500, Forest Service \$300,000, Forest roads and trails, \$4,000,000, and Marketing Services, \$26,500. Excludes \$25,000,000 appropriated on calendar year basis for the farm labor program, since no estimate for this item is included in the 1947 Budget. Also excludes, under appropriation for War Food Administration, \$3,116,894 carried for rescission in H. R. 4407.
- 3/ Includes \$120,000,000 authorized in Second Deficiency Appropriation Act, 1945.

Trust Funds

Item	:Appropriations, :1946 and esti- :mated Pay Act :supplementals :	: : Budget : estimates, : 1947 :	: : Increase (+) : or : decrease (-) :
Cooperative work, Forest Service .....	1,940,709	2,000,000	+59,291
Production and Marketing Administration:			
Moisture content and grade: determinations .....	750,000	1,771,029	+1,021,029
Indemnity fund, county associations .....	10,000	10,000	- -
Undistributed cotton price: adjustment payments ....	500	500	- -
Expenses and refunds, inspection and grading of: farm products .....	6,713,000	5,715,000	-998,000
Grading of agricultural commodities .....	655,413	675,000	+19,587
Farm Security Administration:			
Payments in lieu of taxes and for operation and maintenance of resettlement projects .....	387,636	150,000	-237,636
State rural rehabilitation: corporation funds .....	6,491,325	6,000,000	-491,325
Liquidation of deposits, reserve for maintenance and repair, lease and purchase agreements ....	100	- -	-100
Liquidation of deposits, lease and purchase contracts .....	150,000	60,000	-90,000
Miscellaneous contributed funds .....	100,000	100,000	- -
Return of excess deposits for reproduction of photographs, mosaics, and maps .....	1,000	1,100	+100
Unearned fees and other charges, unclaimed moneys, etc. ....	200	200	- -
TOTAL, TRUST ACCOUNTS .....	17,199,883	16,482,829	-717,054

Prepared by: Office of Budget and Finance  
Division of Estimates and Allotments  
Estimates Section  
December 29, 1945

# TABLE

Year	Month	Day	Time	Location	Remarks
1914	Jan	1	10:00	St. Paul	Arrived from Chicago
1914	Jan	2	10:00	St. Paul	Left for Chicago
1914	Jan	3	10:00	St. Paul	Arrived from Chicago
1914	Jan	4	10:00	St. Paul	Left for Chicago
1914	Jan	5	10:00	St. Paul	Arrived from Chicago
1914	Jan	6	10:00	St. Paul	Left for Chicago
1914	Jan	7	10:00	St. Paul	Arrived from Chicago
1914	Jan	8	10:00	St. Paul	Left for Chicago
1914	Jan	9	10:00	St. Paul	Arrived from Chicago
1914	Jan	10	10:00	St. Paul	Left for Chicago
1914	Jan	11	10:00	St. Paul	Arrived from Chicago
1914	Jan	12	10:00	St. Paul	Left for Chicago
1914	Jan	13	10:00	St. Paul	Arrived from Chicago
1914	Jan	14	10:00	St. Paul	Left for Chicago
1914	Jan	15	10:00	St. Paul	Arrived from Chicago
1914	Jan	16	10:00	St. Paul	Left for Chicago
1914	Jan	17	10:00	St. Paul	Arrived from Chicago
1914	Jan	18	10:00	St. Paul	Left for Chicago
1914	Jan	19	10:00	St. Paul	Arrived from Chicago
1914	Jan	20	10:00	St. Paul	Left for Chicago
1914	Jan	21	10:00	St. Paul	Arrived from Chicago
1914	Jan	22	10:00	St. Paul	Left for Chicago
1914	Jan	23	10:00	St. Paul	Arrived from Chicago
1914	Jan	24	10:00	St. Paul	Left for Chicago
1914	Jan	25	10:00	St. Paul	Arrived from Chicago
1914	Jan	26	10:00	St. Paul	Left for Chicago
1914	Jan	27	10:00	St. Paul	Arrived from Chicago
1914	Jan	28	10:00	St. Paul	Left for Chicago
1914	Jan	29	10:00	St. Paul	Arrived from Chicago
1914	Jan	30	10:00	St. Paul	Left for Chicago
1914	Jan	31	10:00	St. Paul	Arrived from Chicago

OFFICE OF THE SECRETARY

(a) Salaries and Expenses

Appropriation Act, 1946 .....	\$1,450,000
Transfers and allotments, 1946, from other appropriations (as shown in detail on next page) .....	+372,630
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945 .....	+204,000
Total anticipated available, 1946 .....	<u>2,026,630</u>
Budget estimate, 1947:	
Direct appropriation .....	\$1,838,500
Transfers, 1947, from other appropriations (as shown in detail on next page) .....	<u>79,480</u>
Total available, 1947 .....	<u>1,917,980</u>
Change for 1947:	
Overtime decrease .....	-32,427
Other decreases .....	<u>-76,223</u>
	<u>-108,650</u>

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
1. General administration (including offices of the Secretary, Under Secretary, and Assistant Secretary):				
Direct appropriation and transfers .....	\$180,033	\$228,751	\$420,677	+\$191,926
Special allotment from "Salaries and expenses, War Food Administration" (for salaries and ex- penses of the Office of the War Food Adminis- trator, consolidated with the Office of the Secretary July 1, 1945):	170,148	216,610	- -	-216,610
Flood control .....	- -	5,500	11,000	+5,500
Overtime pay .....	17,579	2,715	- -	-2,715
Total, General administration .....	<u>367,760</u>	<u>453,576</u>	<u>431,677</u>	<u>-21,899 (1)</u>
2. Personnel administration and service (including divisions of classification, employment, training, or- ganization and personnel management, investigations, and personnel relations and safety):				
Direct appropriation and transfers .....	490,235	524,305	489,680	-34,625
Overtime pay .....	74,735	9,080	- -	-9,080
Total, Personnel admin- istration and service:	<u>564,970</u>	<u>533,385</u>	<u>489,680</u>	<u>-43,705 (2)</u>

(Continued on next page)



Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
3. Budgetary and financial administration and service (including divisions of accounting, audit, corporate fiscal service, estimates and allotments, fiscal management, purchase, sales and traffic, and bureau accounting service):				
Direct appropriation and transfers .....	550,256:	615,347:	602,390:	-12,957
Overtime pay .....	93,535:	12,130:	- -	-12,130
Total, Budgetary and financial administration and service ...	643,791:	627,477:	602,390:	-25,087 (3)
4. General operations (including divisions of communications, real estate, equipment and engineering services, administrative services, and administration of central working capital fund services):				
Direct appropriation and transfers .....	354,464:	403,690:	394,233:	-9,457
Overtime pay .....	60,016:	8,502:	- -	-8,502
Total, General operations .....	414,480:	412,192:	394,233:	-17,959 (4)
Covered into Treasury as miscellaneous receipts, Public Law 529 .....	579:	- -	- -	- -
Unobligated balance .....	65,763:	- -	- -	- -
Total available .....	2,057,343:	2,026,630:	1,917,980:	-108,650:
Transferred to "Salaries and expenses, Office of Information" .....	+195:	- -	- -	- -
Transferred from:				
"Salaries and expenses, War Food Administration" .....	-126,000:	-80,570:	- -	- -
Commodity Credit Corporation:	-61,390:	-69,950:	-68,480:	- -
"Flood control, general (transfer to Agriculture)":	- - a/	-5,500:	-11,000:	- -
Special allotment from				
"Salaries and expenses, War Food Administration" .....	-170,148:	-216,610:	- -	- -
Anticipated supplemental .....	- -	-204,000:	- -	- -
Total estimate or appropriation .....	1,700,000:	1,450,000:	1,838,500:	- -

a/ Advanced in 1946 by working fund pursuant to Section 601 of the Economy Act of June 30, 1932.



## INCREASES OR DECREASES

The net decrease of \$108,650 in working funds available to the Office of the Secretary for 1947, including direct appropriation, transfers and special allotments, consists of the following:

(1) A net decrease of \$21,899 under "General administration", composed of:

(a) An apparent increase of \$191,471 to restore to the direct appropriation "Salaries and expenses, Office of the Secretary" and consolidate thereunder those administrative functions and personnel heretofore paid from a special allotment from the appropriation "Salaries and expenses, War Food Administration" when the Department was operating under two coordinate heads, namely, the Secretary of Agriculture and the War Food Administrator. This is an apparent increase only since it is offset by a decrease of \$216,610 representing a special allotment of War Food Administrator funds which is being eliminated in the 1947 estimates. Thus, the estimates for 1947 reflect a decrease of \$25,139 in funds available for these functions, which include over-all supervision, direction and coordination of the programs in the Production and Marketing Administration, the Soil Conservation Service, the Farm Security Administration, and the Extension Service, heretofore part of the War Food Administration.

The maintenance of an adequate and well qualified executive staff for general oversight of the policy and program formulation and operation of the Department as a whole is of vital importance to agriculture at this time. Any period of drastic change affecting agriculture--such as changes farmers must make due to the end of the war--necessitates intensive activity on the part of the Department, and particularly the administrative offices. Problems will be encountered in carrying out price support commitments, removal of wartime subsidies, dealing with shortages of some commodities and surpluses of others, and in correlating the timing of actions by the Department with those of other agencies of the Government and of private business. These and many other problems affecting agriculture require that the Office of the Secretary be properly and adequately staffed to meet its responsibilities.

(b) An increase of \$5,500 to place on a full-year basis in 1947 the allotment of \$5,500 provided by working fund advance for the last half of the fiscal year 1946 for salaries and other necessary expenses incident to the review, in the Office of the Secretary, of field reports of flood control examinations and surveys to assure that the work of the Department is coordinated fully with the plans of the Corps of Engineers, U. S. Army, and other Federal agencies.

(c) An increase of \$455 for placing on a full-year basis in 1947, within-grade salary advancements which are estimated to be in effect for only part of the fiscal year 1946.

The Mead-Ramspeck Act, which became effective July 1, 1941, provided that employees compensated on a per annum basis and occupying permanent positions, and who has not attained the maximum rate of compensation for the grade in which their positions were allocated, should receive an advance in compensation to the next higher rate within the grade after each 18

months of service for employees in grades below CAF-11 (and comparable grades in other services), and after each 30 months of service for employees in grades CAF-11 and above (and comparable grades in other services). These provisions were amended by the Federal Employees Pay Act of 1945 to provide that the periods of advancement should be 12 months and 18 months, respectively, in lieu of the 18 months and 30 months previously applicable. Thus within-grade salary advancements now occur more frequently and involve additional costs.

During the war period, abnormally high turnover in personnel made it possible for the Department to absorb the additional costs arising from within-grade salary advancements. However, with the end of the war, and a progressive return to more normal employment conditions, there will be a substantial reduction in the rate of personnel turnover and, thus, less accumulated savings from which within-grade advancements might be paid. This change, together with the fact that a majority of the employees affected are in the lower grades where advancements occur every 12 months, makes it necessary to request increases in funds in many of the appropriations for 1947 to pay the additional costs of placing on a full-year basis in 1947 within-grade advancements which occur during 1946.

To illustrate specifically how the increased cost arises, the following example is cited: If a clerk at the minimum rate of pay for grade CAF-5 (\$2,320), received a within-grade salary advancement under the above-mentioned law effective January 1, 1946, the new salary rate on that date would become \$2,430, which is the next higher rate of that grade. The advancement on an annual basis would be \$110. Since the increased promotion would be in effect for only half of the fiscal year 1946, the additional cost in 1946 would be \$55. In 1947, however, the full-year cost of that particular advancement would be \$110--an increase in cost of \$55 over 1946.

Note.--The Budget estimates for 1947 for most of the appropriation items of the Department include increases for this same purpose. The above explanation of the nature of these additional costs for which such increases are requested is, however, not repeated in connection with each such increase.

(d) A decrease of \$2,715 for overtime.

(2) A net decrease of \$43,705 under "Personnel administration and service," composed of:

(a) A decrease of \$38,706, representing the elimination of funds transferred in 1946 from the appropriation "Salaries and expenses, War Food Administration." This decrease will be effected by a general reduction in expenditures for personnel management activities.



(b) An increase of \$4,081 for placing on a full year basis in 1947, within-grade salary advancements which are estimated to be in effect for only part of the fiscal year 1946.

(c) A decrease of \$9,080 for overtime

(3) A net decrease of \$25,087 under "Budgetary and financial administration and service," composed of:

(a) A decrease of \$17,511 due to the proposed elimination of a transfer of funds from the appropriation "Salaries and expenses, War Food Administration". The transfer of War Food funds to this project in 1946 was \$26,261; however, the reduction in 1947 due to the elimination of this transfer is offset in part by a proposed increase of \$8,750 in the direct appropriation to provide for the maintenance in 1947 of essential payrolling, accounting, and auditing services in connection with the functions transferred from the Office of the War Food Administrator to the Office of the Secretary. The maintenance of these services was provided for in 1946 by the transfer of War Food funds.

(b) An increase of \$4,554 for placing on a full year basis in 1947, within-grade salary advancements which are estimated to be in effect for only part of the fiscal year 1946.

(c) A decrease of \$12,130 for overtime.

(4) A net decrease of \$17,859 under "General operations," composed of:

(a) A decrease of \$13,453, representing the elimination of funds transferred in 1946 from the appropriation "Salaries and expenses, War Food Administration", will be effected by a reduction in expenditures for personal services and general expenses.

(b) An increase of \$3,996 for placing on a full year basis in 1947, within-grade salary advancements which are estimated to be in effect for only part of the fiscal year 1946.

(c) A decrease of \$8,502 for overtime.

#### CHANGES IN LANGUAGE

The estimates include two proposed changes in language. The first change contemplates relocating in the item, at a point immediately preceding the amount of the appropriation estimate (\$1,838,500), the words "hereafter in this Act referred to as the Department." Those words are included in the bracketed language recommended for deletion, as explained in the following paragraph. Their retention will make unnecessary the repeated use of the words "of Agriculture" when referring to the Department of Agriculture throughout the annual appropriation bill.

The second change is proposed in the language of the first proviso (deleted matter enclosed with brackets):

\* \* \* Provided, however, That if the total amounts of such appropriations or authorizations for the current fiscal year shall at any time exceed or fall below the amounts estimated, respectively, therefor in the Budget for such year, the amounts transferred or to be transferred therefrom to this appropriation shall be increased or decreased in such amounts as [the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department of Agriculture, hereafter in this Act referred to as the Department, shall determine] are appropriate to the requirements as changed by such reductions or increases in such appropriations or authorizations: \* \* \*

This language change proposes the deletion of the clause, "the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine," contained in the proviso in the 1946 Appropriation Act authorizing transfers from other appropriations or authorizations as shown in the Budget schedules. The language proposed to be deleted imposes on the Budget Director the responsibility for adjusting the amount to be transferred whenever the amount of the appropriation or authorization from which the transfer is to be made differs from the amount of such item as estimated for in the Budget.

The language in question has been examined pursuant to a letter of last March from the Chairman of the House Appropriations Committee to the Director of the Budget on the subject of legislative provisions in appropriation bills. It appears that that portion of the proviso which authorizes the Budget Director to determine the amount of the transfer under certain circumstances may be legislative in character and, therefore, presumptively subject to a point of order, since it imposes additional responsibilities on him. Its deletion from the 1947 Bill is therefore proposed. Should the proposal be approved, it would be the intent of the Department to continue to consult with the Budget Bureau on such transfers.

## WORK UNDER THIS APPROPRIATION

(1) General administration: This item includes the immediate Offices of the Secretary, Under Secretary and Assistant Secretary, together with their respective staffs. These Offices are responsible, at the highest level, for the supervision and direction of the Department as a whole and for formulating and carrying out agricultural policies. The Secretary's immediate staff, consisting of the Under Secretary, Assistant Secretary and other aides, represents him in many direct dealings with the Congress, the heads of operating bureaus and agencies, and as liaison with other departments and independent establishments. They act for the Secretary in discharging responsibility for the Department's programs and other activities, and advise with him regarding organization and programs, and the economic significance of proposed policies and legislation.

American agriculture has undergone far-reaching changes as a result of the war, and we are now facing a period of difficult readjustments. Problems of major significance are confronted in the termination of wartime controls; in the removal of war-created subsidies; in pricing, and agricultural supports and price protection for farmers; in the disposal of war-created surpluses without serious injury to our farm economy; in the reestablishment of foreign trade; in the restoration and conservation of our soil and forest resources; in improvements in rural living standards for farm people; and in many other changes which must take place in our reconversion to a peacetime basis. These and many other problems, both administrative and program in nature, require the time and careful attention of the general administrative staff.

(2) Personnel administration and service: The primary objective of the Office of Personnel is to recruit, train, and maintain a staff of qualified and efficient workers and to encourage proper organization and management in order to obtain maximum use of their abilities. Accomplishment of this objective involves activities related to recruitment, placement, leave, separation, retirement, position classification, compensation, wage and salary stabilization, efficiency ratings, techniques of organization and personnel management, the issuance of rules and regulations, interpretation of personnel legislation and Civil Service Commission and other directives, safety, counseling, grievances, health and first-aid, collaboration with colleges and universities, training in office skills, supervision improvement, work improvement, and investigation of cases involving misconduct or delinquencies.

Responsibility for personnel administration for the entire Department is in the Office of Personnel. In the fiscal year 1945, the responsibilities of leadership, direction and coordination were complicated by the Government manpower problem and many adjustments were necessary because of new laws, rules, regulations and procedures which became effective, and the amendment of existing rules, regulations and procedures. Many of these difficulties will continue during the transition from war to peace activities and personnel management problems will be increased by the return of approximately 16,000 employees who are on military furlough and several thousand other employees who have reemployment rights. Practically all phases of personnel management



will be brought into play in taking care of these returning employees. Vacancies will have to be found. New positions will have to be created. Reassignments of present employees to other duties will have to be effected. Reductions in force to make way for returning veterans will be necessary. Training measures will be required to bring returning employees up to date on policies, practices and procedures placed in effect since they left. Problems and adjustment cases will undoubtedly arise in handling the cases of so many thousands of employees. Transfers from one location to another will be necessary.

In addition to these post-war problems, there will be program shifts changing the emphasis of the Department's programs from those of war to those of peace. These changes will involve many reorganizations of divisions, branches, and other organizational units of the Department. These reorganizations will throw a heavy workload on the Office of Personnel.

Some idea of the problems involved during the reconversion period will be gained from the following summary of some of our major activities during the fiscal year 1945 when comparatively few service men and others with reemployment rights returned to duty.

Approximately 98 percent of our personnel actions are processed by bureau officials under delegated authority, and the Office of Personnel maintains control by post-reviews. Representatives of the Office of Personnel visited 53 field employment offices during 1945 to review the general competence of personnel administration in those offices. Also, 2,512 major personnel actions were reviewed and approved and 36,536 personnel actions were audited. Altogether, 146,872 personnel actions were processed and filed.

During 1945 it was necessary for the Office of Personnel to review and approve 183 organization charts, many of which represented major organization changes. 76 work improvement institutes and approximately 2,000 job instruction, job methods and job relations training sessions were held under the leadership of the Office of Personnel.

Also during the year 51 efficiency rating appeals and 48 grievance appeals were heard. 324 cases were referred to the U. S. Public Health Service during the year, while 75 visits were made to the homes of sick employees and the Office of Personnel handled 566 cases of health counseling.

Considerable progress was made in delegating classification authority to bureaus, but the position classification workload has continued to be very heavy and will be heavy during the transition period.

There is an urgent need for making periodic inspections of the fiscal and business activities at field stations, which important work had to be materially curtailed because of limited personnel and the volume of other investigational work during the war.

(3) Budgetary and financial administration and service: The Office of Budget and Finance, acting as a staff agency for the Secretary of Agriculture, exercises general supervision over the budgetary and financial affairs of the Department, including the preparation, coordination, evaluation and revision of budget estimates; the acquisition, allotment and apportionment of funds; the accounting, auditing, fiscal management, financial reporting; the purchasing, sales, surplus disposal, warehousing and related activities dealing with the supplies and equipment of the Department; and other activities involved in the financial management of the Department.

The Office formulates and promulgates departmental budgetary and financial policies and procedures; reviews the budgetary and financial aspects of program proposals and maintains a budgetary project system covering the activities of the Department, changes in the Department's regulations, etc., as they arise during the year; and, under delegations of authority from the Secretary, approves certain types of fiscal transactions, allotments, authorizations, certifications, requisitions for disbursing funds, etc.

In cooperation with the other staff offices and with the program agencies, the Office develops improvements, in the interest of economy and efficiency, in the management and operations of the Department's activities. The Office is called upon to assist in the solution of a continuous flow of administrative and fiscal problems, each needing analysis and decision and requiring close collaboration with officials of bureaus and program agencies.

The Office is the central point of contact, represents the Department and acts as general agent of the Secretary of Agriculture on budgetary, fiscal, purchasing, sales, warehousing and related matters with the Budget Bureau, the General Accounting Office, the Treasury Department, the Congressional Committees on Appropriations and other agencies concerned. Numerous reports relating to the work and finances of the Department are rendered in response to requests from the Budget Bureau, Congressional Committees, Members of Congress, other governmental agencies and outside organizations and individuals.

The Office provides technical consulting service and advises with the corporations and lending agencies under the jurisdiction of the Department in financial and accounting matters. It also provides such service on policies, standards, techniques and programs in connection with both government and commercial type audits of the financial activities of the Department, and collaborates in planning and developing audit standards and internal audit programs.

The Office also performs direct fiscal, accounting and auditing services for certain agencies in the Department, where such functions can be rendered more advantageously or economically at a central point.



The work is performed through six functional divisions -- (1) The Division of Estimates and Allotments (which includes the following sections: Estimates, Allotments and Apportionments, Budgetary Reports and Statistics; Legislative Reports and Service, and Special Projects); (2) the Division of Accounting (which includes the following sections: Departmental Accounts, Bureau Accounting Service, and Fiscal Examining); (3) the Division of Purchase, Sales and Traffic (which includes a Management Section and a Contract Section); (4) the Division of Fiscal Management; (5) the Division of Corporate Fiscal Service; (6) the Division of Audit; and through a small staff of budget and fiscal examiners who maintain direct, day-to-day contact with the work and expenditures of the principal operating, or program, agencies of the Department.

Summarized, the general objective of the Office is to see that budgetary and fiscal administration is maintained throughout the Department in an adequate and satisfactory manner and in such a way as to render effective assistance in such matters as (a) planning the program of work, (b) financing the program of work, (c) assuring effective and economical program execution, (d) accounting for the proper expenditure of public funds, and (e) measuring, evaluating and reporting upon the effectiveness of the program of work in the light of past, current, and proposed expenditures.

(4) General operations: In its capacity of a staff office of the Office of the Secretary, the Office of Plant and Operations is responsible for the planning, initiation, development, coordination and execution of the operational activities of the Department as they relate to departmental housing, communications services (including telephone and telegraph service), technical advisory service where engineering principles are involved in the procurement, operation and maintenance of equipment, coordination of mapping operations; passenger transportation, central storeroom and supply, photographic and duplicating, and motor transport services; and administrative functions of the Office of the Secretary.

The Office of Plant and Operations is devoting increasing attention to economy of operation and improved management practices. The Equipment and Engineering Services Division furnishes the bureaus and agencies of the Department with technical advice on equipment and engineering problems and has assembled current technical data, manuals and catalogues pertaining to automotive, farm machinery, heavy construction, and scientific and technical equipment used or needed by the Department. There has also been assembled technical data on the maintenance, operation, and repair of mechanized equipment which may become available for acquisition from war surpluses. This information will enable purchasing bureaus and agencies to make more intelligent selections from surplus stocks. An analysis of the geographical distribution of motor vehicles as a basis for post-war establishment of coordinated departmental repair and maintenance facilities is being made and is approaching completion.



The Real Estate Division furnishes leadership and advice to the bureaus of the Department in leasing and space management matters, and maintains close liaison with the Federal Works Agency in matters relating to the upkeep and operation of the buildings occupied by the Department in Washington. The housing of the Department's activities both in Washington and the field continues as an acute problem. Through constant scrutiny of program changes and objectives, the Real Estate Division has been able to rearrange assignments and effect space economies sufficient to permit the return to the Department's South Building of some units heretofore housed elsewhere in Washington and also to permit the return to Washington of certain branches located in the field. The scarcity of suitable space for the housing of the Department's activities in the field remains a problem. In practically all large cities, it is difficult to secure space in any great quantity and even small parcels are at a premium. This scarcity has accentuated the desirability of consolidated field housing. During 1945, there was considerable activity in connection with the acquisition of small parcels of Federally-owned office space and alertness to local situations made possible the assignment of many small blocks of space in Government-owned buildings.

The Communications Division is making steady progress in the furtherance of its records administration program. The installation of approved records management procedures in several additional Department agencies during 1945 represents a substantial step toward the goal of uniform records practices throughout the Department. A records administration survey for the Office of Labor, involving five field divisional offices, as well as the Washington office, resulted in the installation of a uniform records system, the compilation of classification manuals, and the instruction of employees in their use. A comprehensive disposition schedule was drafted for submission to the National Archives. A survey also was made of the records of the Rural Electrification Administration with a view to eliminating unnecessary and obsolete material and to establish a program for the orderly and systematic retirement of records. The Records Management Section is also working on a program for the disposition of records in the Bureau of Entomology and Plant Quarantine, where 17,000 linear feet of files, containing some of the world's most valuable research data on insects, parasites, insecticides and fungicides, are being inventoried. Aside from the primary purpose of evaluating and disposing of records, this inventory is an invaluable listing of scientific material, which, when completed, will permit the release of considerable amount of space and filing equipment. Similar advice and assistance in the field of records management and disposal was rendered other branches of the Department.

As coordinator of the Department's cartographic and aerial photographic activities, the Office of Plant and Operations made a study of the methods, techniques, equipment, and reproduction processes used in the preparation of soil maps. The study was initiated primarily to determine what improvement could be effected to reduce the time, and consequently the cost, of issuing soil maps. Technical collaboration with the Forest Service was given in the development of a means of combining terrestrial and celestial photogrammetric processes of simultaneously extending both

horizontal and vertical control in the expeditious and economical furtherance of topographic mapping. This project, which was financed by the Forest Service, required the construction of a newly-designed photo-alidade and photo-theodolite. Tests so far indicate that the method may have a far-reaching effect on Federal topographic mapping practices. The final results of field tests will not be available, however, before the spring of 1946. The largest new aerial photographic project initiated during 1945 embraced areas in West Virginia, Kentucky, North Carolina, Florida, Texas, New Mexico, Arizona, Oregon, Idaho, Nevada, and Washington, and totalled 42,747 square miles at an average cost of \$3.17 per square mile. Military clearance to initiate and execute this work was granted by the Eastern and Western Defense Commands. Close liaison relationships are maintained with the Bureau of the Budget on all surveying and mapping procedure, and the Bureau of the Budget is kept fully advised on all project costs and technical procedure.

(b) Salaries and Expenses, War Food Administration, Department of Agriculture (Allotment to Office of the Secretary)

This budget schedule covers obligations during 1945 and 1946 under a special allotment from the appropriation "Salaries and expenses, War Food Administration," for certain administrative functions and personnel which are provided for in the 1947 estimates under "Salaries and expenses, Office of Secretary," as previously explained in connection with the estimates for that item.

(c) Working Capital Fund, Department of Agriculture

The working capital fund is a "no-year" operating fund of \$400,000 established in the 1944 Appropriation Act to pay the operating costs of certain centralized service organizations pending the receipt of reimbursements for such costs from the serviced bureaus and agencies. The integrity of the original appropriation is maintained from year to year by means of these reimbursements, and an appropriation in 1947 is, therefore, unnecessary.

A separate schedule of expenditures and reimbursements and a statement of assets and liabilities of the working capital fund as of June 30, 1945, is printed in the Budget schedules and in the Subcommittee Print for the fiscal year 1947.

(d) Working Funds (Office of the Secretary)

This budget schedule covers obligations under advances pursuant to Section 601 of the Economy Act of June 30, 1932, for services performed for various agencies as indicated in the following statement of obligations under supplemental funds.



STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS  
(1945 and 1946 figures include overtime costs)

Item	Obligations, 1945	Estimated obligations, 1946	Estimated obligations, 1947
Working Funds (Office of the Secretary): Advances from War and Navy Departments: For co-ordination and supervision of strategic area map production	\$5,576	--	--
Veterans Administration: For assisting in carrying out the responsibilities of the Department under the "Service-men's Readjustment Act of 1944"	144	\$4,856	--
Total, Working Funds	5,720	4,856	--
Supply and Distribution of Farm Labor: For accounting services for certain allotments of farm labor program funds 1/	8,983	7,982	--
TOTAL, OBLIGATIONS UNDER SUPPLEMENTAL FUNDS	14,703	12,838	--

1/ Allotment from funds appropriated on a calendar year basis for the farm labor supply program in a separate act. Present funds are available for calendar year 1946, but no amount is shown in 1947 column since no distribution of obligations is shown in the 1947 column of the Budget.

PASSENGER-CARRYING VEHICLES

The appropriation language for the Office of the Secretary proposes to continue the authority to operate four passenger-carrying vehicles. These cars are used by the Office of the Secretary and for general utility needs of the Department. The authority to purchase one passenger-carrying vehicle, as continued in the Budget estimates, does not contemplate an increase in the total number of cars authorized to be operated, but provides for replacement of one of the over-age cars now in use, when replacement becomes possible.

While the number of passenger cars proposed to be continued in operation in 1947 under this item remains unchanged over 1946, there is an adjustment involved in the authorization for operating the cars in the District of Columbia. First, the authority which has been carried in the language of "Salaries and expenses, Office of the Secretary" for a number of years,

authorizing operation of one passenger car in Washington for use by the Chief of the Forest Service, is proposed in these estimates to be transferred to and carried under the preamble of the Forest Service language.

However, one passenger car previously assigned to the War Food Administrator's Office was transferred to the Office of the Secretary under the provisions of Executive Order 9577, of June 29, 1945 which consolidated these two offices. Authority for its operation in the District of Columbia in 1946 is contained in the language of the appropriation "Salaries and expenses, War Food Administration", which is being eliminated in the 1947 estimates. The car is presently utilized for the personal transportation, on official business, of the Under Secretary of Agriculture, the Assistant Secretary, and other staff assistants, in connection with the discharge of functions transferred to the Secretary's Office under the Executive Order.

(Continued on next page) .....

Category 2 consists of operating forms and regulations, replies to letters and other correspondence, invitations to bid on purchases, return cards for registered mail, and digests of essential Federal Register and legislative information relating to agriculture.





PENALTY MAIL COSTS, DEPARTMENT OF AGRICULTURE 1/  
(Section 2, Public Law 364, approved June 28, 1944)

Appropriation Act, 1946 (direct appropriation) .....	\$3,238,740*
Budget estimate, 1947 (direct appropriation) .....	3,186,000
Decrease, 1947 .....	<u><u>-52,740</u></u>

\*For comparability with 1947, excludes \$30,000 limitation on the use of Commodity Credit Corporation administrative funds. In view of the plan to submit the 1947 estimates for wholly-owned Government corporations to the Congress in the spring as a Budget supplement, the \$3,186,000 Budget estimate for 1947 makes no provision for mailings that would be chargeable to CCC administrative funds. Funds are included, however, for the ECIC since its penalty mail requirements are met from this appropriation.

This estimate is submitted pursuant to the provisions of section 2(c) of Public Law 364, approved June 28, 1944, which provides that each department, agency and establishment of the Government, except the Post Office, War and Navy Departments, beginning with the fiscal year 1945, shall include in its estimates of appropriations an amount representing the anticipated cost to the Post Office Department of handling the penalty mail of such department, agency, or establishment. Section 2(d) requires payments to be made into the general fund of the Treasury, from appropriations available for the purpose, an amount equivalent to the costs of handling such penalty mail. It is from this appropriation that such payments are made.

The estimates for 1947 for penalty mail reflect a net decrease of \$52,740 below the appropriation for 1946. This reduction results, principally, from the elimination of war food program activities. Funds available under this appropriation are allotted to the various organizations of the Department. In view of the limited experience data available for operations under the penalty mail law, it is not always possible to accurately estimate mailing requirements for particular programs. In order to provide for estimated mailing needs of the various bureaus and offices to the extent possible, to the end that the best utilization may be made of total available funds, adjustments are sometimes necessary in original allotments for particular programs. The estimates for 1947 for penalty mail reflect, within the over-all reduced amount available, some increases in particular agencies to provide for increased mailings in connection with subject-matter appropriation increases contained in the Budget estimates.

1/ Note.--For the information of the Committee, individual justification statements for the mailings of each of the bureaus and agencies of the Department are provided at the end of each agency's section of the Explanatory Notes. To facilitate consideration of the estimates, it is suggested that questions which the Committee may have relating thereto be directed to the representatives of each bureau as they appear before the Committee to explain the estimate for their respective work programs.

Fulfillment of the objectives of agricultural programs authorized by the Organic Act of 1862 and subsequent legislation authorizing cooperative agricultural extension work, national forestry protection and administration, marketing and regulatory services, etc., requires the dissemination annually of substantial numbers of farmers' bulletins, crop and livestock reports, crop reporting schedules, market news reports, technical publications, maps, etc. The transfer to the Department of such agencies as the Farm Credit Administration, Commodity Credit Corporation, the Rural Electrification Administration, and others, and the enactment of such legislation as the Agricultural Adjustment and Soil Conservation and Domestic Allotment Acts, the Sugar Act and the Bankhead-Jones Farm Tenant Act have placed additional responsibilities upon the Department, requiring substantial mailings of billings on loans, notices to farmers, operating reports and forms, etc. Also involved are the regular operational and administrative mailings necessary in the conduct of the Department's business, and correspondence with individual farmers and other groups interested in and affected by agricultural programs.



Statement of Estimated Obligations for Penalty Mailings  
By Bureaus and Offices

Bureau or Office	1945	1946 estimate	1947 estimate	Increase or decrease
Office of the Secretary ...	\$3,431:	\$3,740:	\$3,740:	- -
Office of the Solicitor ...	1,573:	2,250:	2,500:	+250
Office of Information .....	63,135:	60,000:	60,000:	- -
Library .....	2,447:	2,551:	2,551:	- -
Bureau of Agricultural Economics .....	260,723:	271,600:	304,600:	+33,000
Office of Foreign Agricultural Relations .....	1,012:	1,323:	1,850:	+527
Extension Service .....	801,955:	825,000:	880,000:	+55,000
Agricultural Research Administration:	:	:	:	:
Office of Administrator	295:	384:	384:	- -
Office of Experiment Stations .....	574:	567:	630:	+63
Bureau of Animal Industry	20,540:	18,200:	20,200:	+2,000
Bureau of Dairy Industry:	821:	1,200:	1,200:	- -
Bureau of Plant Industry:	:	:	:	:
Soils, and Agricultural Engineering ...	5,225:	7,200:	8,700:	+1,500
Bureau of Entomology and Plant Quarantine ....	11,258:	13,200:	15,000:	+1,800
Bureau of Agricultural and Industrial Chemistry .....	2,202:	2,900:	3,000:	+100
Bureau of Human Nutrition and Home Economics:	1,325:	1,498:	2,000:	+502
Forest Service .....	25,569:	34,000:	40,000:	+6,000
Soil Conservation Service .	39,168:	44,193:	50,000:	+5,807
Production and Marketing Administration (including agricultural conservation program, Marketing Services, crop insurance, Section 32, and other programs administered by this Administration) .....	1,443,789:	1,606,747:	1,558,026:	-48,721
Farm Security Administration:	145,210:	132,219:	132,219:	- -
Rural Electrification Administration .....	8,326:	12,960:	14,400:	+1,440
Farm Credit Administration:	68,504:	85,000:	85,000:	- -
Reserve for contingencies:	- -:	112,008:	- -:	-112,008
Total .....	2,867,082:	3,238,740:	3,186,000:	-52,740
Estimated unobligated balance .....	294,568:	- -:	- -:	- -
Total estimate or appropriation .....	3,161,650:	3,238,740:	3,186,000:	-52,740

Statement of Estimated Obligations, 1947, by Major Categories

The estimate for 1947 may be broken down into two major categories of mailings as follows:

Bureau or Office	Category 1	Category 2	Total
	Farmers' bulletins, market and crop reports, leaflets, technical and other publications (printed or processed)	Billings on loans, crop reporting schedules, notices to farmers, correspondence forms and regulations and other operational and administrative mailings	Estimated Cost, 1947
Office of the Secretary .....	- -	\$3,740:	\$3,740
Office of the Solicitor .....	- -	2,500:	2,500
Office of Information .....	58,500:	1,500:	60,000
Library .....	281:	2,270:	2,551
Bureau of Agricultural Economics .....	136,360:	168,240:	304,600
Office of Foreign Agricultural Relations .....	1,600:	250:	1,850
Extension Service .....	295,000:	585,000:	880,000
Agricultural Research Administration:			
Office of Administrator .....	15:	369:	384
Office of Experiment Stations .....	420:	210:	630
Bureau of Animal Industry .....	200:	20,000:	20,200
Bureau of Dairy Industry .....	600:	600:	1,200
Bureau of Plant Industry, Soils, and Agricultural Engineering .....	2,000:	6,700:	8,700
Bureau of Entomology and Plant Quarantine .....	1,700:	13,300:	15,000
Bureau of Agricultural and Industrial Chemistry .....	400:	2,600:	3,000
Bureau of Human Nutrition and Home Economics .....	200:	1,800:	2,000
Forest Service .....	5,000:	35,000:	40,000
Soil Conservation Service .....	3,800:	46,200:	50,000
Production and Marketing Administration (including agricultural conservation program, Marketing Services, crop insurance, Section 32, and other programs administered by this Administration) .....	351,878:	1,206,148:	1,558,026
Farm Security Administration .....	5,459:	126,760:	132,219
Rural Electrification Administration .....	8,600:	5,800:	14,400
Farm Credit Administration .....	3,400:	81,600:	85,000
Totals .....	875,413:	2,310,587:	3,186,000

### CHANGES IN LANGUAGE

The estimates propose changes in the language of this item as follows (new language underscored, deleted matter enclosed with brackets):

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Department [of Agriculture, including the War Food Administration], as required by section 2 of the Act of June 28, 1944 ([Public Law 364] 39 U.S.C. 321d), [\$3,238,740, together with not to exceed \$30,000 of the funds made available to the Commodity Credit Corporation for administrative expenses, for penalty mail for said Corporation, and the amount authorized for penalty mail for said Corporation in the First Supplemental Appropriation Act, 1945, for the fiscal year 1945 is hereby increased by \$12,000] \$3,186,000.

The first change deletes reference to the War Food Administration, since it has been consolidated with the Department of Agriculture.

The second change merely substitutes, so as to conform to the standard method, the code citation applicable to Public Law 364 in lieu of continued reference to the public law number.

The third change eliminates the language authorizing the use of Commodity Credit Corporation administrative expense funds for penalty mailings of the Corporation, since no provision is contained in the regular 1947 Budget for such expenses.





OFFICE OF THE SOLICITOR

(a) Salaries and Expenses

Appropriation Act, 1946 .....	\$1,730,000
Second Deficiency Appropriation Act, 1945 .....	130,000
Transfers, 1946, from other appropriations (shown in detail on next page) .....	+218,599
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945 .....	+242,000
Total anticipated available, 1946 .....	<u>2,320,599</u>
Budget estimate, 1947:	
Direct appropriation .....	\$2,264,000
Transfers from other appropriations (shown in detail on next page) .....	<u>120,115</u>
Total available, budget estimate, 1947 .....	<u>2,384,115</u>
Change for 1947:	
Overtime decrease -31,884	
Increase (net) +95,400 .....	<u>+63,516</u>

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
1. Marketing, regulatory laws and transportation	\$191,558	\$212,323	\$179,768	-\$32,555
2. Commodity loan and purchase programs .....	120,338	138,622	155,842	+17,220
3. Agricultural adjustment, crop insurance and labor programs .....	91,220	131,618	132,516	+898
4. Rural electrification program .....	275,147	465,778	468,956	+3,178
5. Forestry, research and general legal services	169,117	187,961	210,416	+22,455
6. Farm security programs	84,139	113,944	114,721	+777
7. Farm credit programs	117,416	137,621	138,560	+939
8. General administrative and business functions	124,495	179,634	183,685	+4,051
9. Field activities .....	605,446	721,214	799,651	+78,437
10. Overtime pay .....	261,450	31,884	- -	-31,884
Covered into Treasury as miscellaneous receipts,				
Public Law 529 .....	900	- -	- -	- -
Unobligated balance .....	204,406	- -	- -	- -
Total available .....	<u>2,245,632</u>	<u>2,320,599</u>	<u>2,384,115</u>	<u>+63,516 (1)</u>

(Continued on next page)

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
Received by transfer from:				
Commodity Credit Corporation .....	-\$75,000:	-\$85,183:	-\$112,115:	
"Emergency rubber project, Department of Agriculture" ..	-25,000:	-12,500:	- -:	
"Water conservation and utilization projects, Department of Agriculture":	- -:	-11,200:	- -:	
"Salaries and expenses, War Food Administration, Department of Agriculture":	-215,000:	-109,716:	- -:	
"Flood control, general (transfer to Agriculture)"	- -:	- -:	-8,000:	
Anticipated supplemental	- -:	-242,000:	- -:	
Total estimate or appropriation .....	1,930,632:	1,860,000:	2,264,000:	

#### INCREASES OR DECREASES

(1) The net increase of \$63,516 in estimated available funds under this item for 1947 consists of the \$31,884 decrease for overtime and the following:

(a) A decrease of \$108,217 due to eliminating from the estimates for 1947, the funds transferred in 1946 from the appropriation "War Food Administration, Salaries and expenses."

(b) A decrease of \$12,306 due to eliminating from the estimates for 1947, the funds transferred in 1946 from the appropriation "Emergency Rubber Project," which is pending liquidation.

(c) An increase of \$28,096 in the transfer from the Commodity Credit Corporation for legal work incident to the programs of the Commodity Credit Corporation:

The Need: To provide adequate legal services for the Commodity Credit Corporation, the volume and complexity of whose legal work has been greatly increased as a result of the expansion of the Corporation's activities. The operations of Commodity Credit Corporation, which is now authorized to borrow \$4,750,000,000 on the credit of the United States for its operating funds, present among others all the legal problems which normally would be associated with the activities of any large, private, commercial corporation engaged in the business



of making loans, purchasing, processing, storing, marketing, and otherwise handling vast quantities of agricultural commodities and products throughout the United States as well as in Cuba, Puerto Rico, and Canada. The Corporation is directed by statute (Stabilization Act of 1942, as amended) to make loans available on basic commodities produced while the United States was at war and for a period of two years thereafter and, in addition, the Secretary is directed to support, for two years after the war, the prices of non-basic commodities under the so-called Steagall amendment (Public Law 147, approved July 1, 1941) by loan, purchase, and other operations.

Plan of Work: Necessary legal services for the Corporation include the rendition of formal legal opinions upon questions submitted by officials of the Corporation; the furnishing of oral and informal written advice from day to day to officials of the Corporation; the preparation or review for legal sufficiency of contracts, regulations, security documents, instructions, forms, and other instruments implementing the programs of the Corporation or otherwise required in the conduct of its business; passing upon the legal propriety of proposed policies or actions submitted to the Corporation's Board of Directors or the Secretary of Agriculture or other officials of the Department; and the submission to the Department of Justice of matters requiring court action on behalf of the Corporation or indicating violations of the United States criminal code and the collaboration with that Department in the prosecution or defense of such actions.

The character and extent of the legal services required in connection with a single Commodity Credit Corporation program may be illustrated by reference to the Corporation's 1945 Cuban and Puerto Rican Sugar Purchase and Sale Program, as follows:

The negotiation and drafting of a contract with the Cuban Sugar Stabilization Institute which provides for the sale of the 1945 Cuban raw sugar crop to the Corporation, and which is accompanied by an undertaking to stabilize the prices in Cuba of basic foods such as flour, rice, and lard.

The negotiation and drafting of a contract with each of the several sugar processors in Puerto Rico which provides for the sale of the 1945 Puerto Rican raw sugar crop to the Corporation and for the payment by the Corporation to growers of cane and processors of raw sugar of subsidies designed to offset increased labor and other costs and thereby to maintain sugar production.

The negotiation, drafting, and submission to the Secretary of the Treasury, for approval as obligations guaranteed by the United States, of contracts with private banks pursuant to which the banks will make loans to the Corporation by advancing to Cuban and Puerto Rican raw sugar processors, prior to shipment, a part of the purchase price of raw sugar specified in the purchase and sale contracts.

The negotiation and drafting of an agreement with Continental United States sugar refiners pursuant to which, among other things, the refiners act as the Corporation's agent in shipping and importing the Cuban and Puerto Rican raw sugar and such sugar is sold by the Corporation to the refiners.

Negotiations with the State Department relating to the international aspects of the purchase of sugar from Cuba and the stabilization of basic food commodity prices in Cuba.

Negotiations with the War Shipping Administration relating to the shipping, insurance and other problems involved in transporting Cuban and Puerto Rican raw sugar to the United States.

Negotiations with the Office of Price Administration, Foreign Economic Administration, Defense Supplies Corporation, and War Production Board relating to various other aspects of the program.

(d) An increase of \$3,000 for legal work incident to the Flood Control program of the Department of Agriculture:

Plan of Work: Legal services will be performed in connection with the flood control program of the Department in accordance with the Flood Control Acts of 1936 and 1938, as amended and supplemented, together with the Flood Control Act of 1944.

This legal work will involve the drafting and reviewing of cooperative agreements with state and local governments, reviewing and analyzing Federal and State laws and pending legislation with respect to flood control matters, reviewing and assisting in the preparation of reports requested by legislative bodies, and assisting and formulating program procedures, furnishing legal advice on questions relating to operations, availability of appropriations, and handling claims arising out of the operational activities.

(e) An increase of \$170,000 for additional legal and abstracting work required in connection with the forest land acquisition program:

The Problem: To provide the necessary abstracting and title work incident to the contemplated forest land acquisition program for the purposes of the Weeks Forestry Act (36 Stat. 961, as amended) and under the various Forest Receipts Acts.

Plan of Work: On the basis of past experience and the records of the Department, it is estimated that the cost of abstracting, reviewing and examining land titles, including the necessary curative work, has amounted to approximately 6.6 percent of the acquisition funds provided. However, due to the fact that no acquisition program was carried on during the war, it is estimated that some time will be

required to complete the appraisal and survey of lands and the negotiation of options, with the result that a considerable portion of the abstracting, curative, and title examination work will not be completed during fiscal year 1947. In addition, a saving is estimated in the cost of furnishing title evidence as a result of the consolidation and reorganization of the field offices of the Solicitor in 1942 and the assumption by the Office of the Solicitor in 1944 of the abstracting and curative functions which are now combined with the title examination functions, thus eliminating considerable duplication of effort and delay. As a result of these factors, the amount for the Office of the Solicitor for the fiscal year 1947 is \$170,000. Wherever it is more feasible and economical, abstracts or certificates of title will be purchased from abstract or title companies on a considerable portion of the land and an amount of \$17,600 is included for this purpose.

(f) An increase of \$9,827 for placing on a full year basis in 1947, within-grade salary advancements which are estimated to be in effect for only a part of the fiscal year 1946.

(See next page)



Distribution of Increases and Decreases, by Purposes and Projects  
(Excluding Overtime Pay)

Project	Estimated obligations, 1946	Increases (+) and Decreases (-), 1947									
		Transfers					Direct Approp.				
		War Food transfer	Emergency rubber transfer	Commodity Credit transfer	Flood control transfer	Land acquisition	Within-grade salary	Advance-ments			Total
1. Marketing, regulatory laws and transportation ..	\$212,323:	-\$32,805:	-	-	-	-	+\$250:	+\$32,555			
2. Commodity loan and purchase programs .....	138,622:	-9,183:	-	+26,121	-	-	+282:	+17,220			
3. Agricultural adjustment, crop insurance and labor programs .....	131,618:	-	-	-	-	-	+\$898:	+\$898			
4. Rural electrification program .....	465,778:	-	-	-	-	-	+3,178:	+3,178			
5. Forestry, research and general legal services ..	187,961:	-	-4,663:	-	+8,000:	+17,836:	+1,282:	+22,455			
6. Farm security programs .	113,944:	-	-	-	-	-	+777:	+777			
7. Farm credit programs ...	137,621:	-	-	-	-	-	+939:	+939			
8. General administrative and business functions ...	179,634:	-6,800:	-506:	+1,975:	-	+8,850:	+532:	+4,051			
9. Field activities .....	721,214:	-59,429:	-7,137:	-	-	+143,314:	+1,689:	+78,437			
Totals .....	2,288,715:	-108,217:	-12,306:	+28,096:	+8,000:	+170,000:	+9,827:	+95,400			

CHANGE IN LANGUAGE

The estimates include a proposed change in the language of this item, as follows (new language underscored, deleted matter enclosed with brackets):

Change

No.

- 1 \* \* \* Provided, however, That if the total [amount] amounts of such appropriations or authorizations for the current fiscal year shall at any time exceed or fall below the amounts estimated, respectively, therefor in the Budget for such year, the amounts transferred or to be transferred therefrom to this appropriation and the amount which may be expended for personal services in the District of Columbia shall be
- 2 increased or decreased in such amounts as [the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine] are appropriate to the requirements as changed by such reductions or increases in such appropriations or authorizations.

The first change involves restoring the word "amount" to "amounts" as carried in previous appropriation acts for this item. The letter "s" was inadvertently dropped during the printing of the 1946 Act.

The second change proposes the deletion of the clause, "the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine," contained in the proviso in the 1946 Appropriation Act authorizing transfers from other appropriations or authorizations as shown in the Budget schedules. The language proposed to be deleted imposes on the Budget Director the responsibility for adjusting the amount to be transferred whenever the amount of the appropriation or authorization from which the transfer is to be made differs from the amount of such item as estimated for in the Budget.

The language in question has been examined pursuant to a letter of last March from the Chairman of the House Appropriations Committee to the Director of the Budget on the subject of legislative provisions in appropriation bills. It appears that that portion of the proviso which authorizes the Budget Director to determine the amount of the transfer under certain circumstances may be legislative in character and, therefore, presumptively subject to a point of order, since it imposes additional responsibilities on him. Its deletion from the 1947 Bill is therefore proposed. Should the proposal be approved, it would be the intent of the Department to continue to consult with the Budget Bureau on such transfers.





## WORK UNDER THIS APPROPRIATION

Objective: To advise the Secretary and other administrative officials on legal problems arising in connection with all phases of their duties, in accordance with a Congressional enactment in 1910 providing that "the legal work of the Department of Agriculture shall be performed under the supervision and direction of the Solicitor."

Necessity: The Department of Agriculture has been made responsible for carrying out the Nation's food program, as well as for the administration and enforcement of the statutes, regulatory and otherwise, which provide the basis for the major agricultural and food programs of the country, including production, distribution, conservation, credit, electrification, research, and others. Many and varied legal problems arise in the conduct of such activities, and for the solution of these problems it is necessary that administrative officers have legal advice and assistance involving the consideration and application of practically all branches of the law.

General Plan and Scope of Work: In order to maximize their usefulness, the offices, both Washington and decentralized, have been organized into fourteen legal divisions and one administrative division, with ten regional offices in the continental United States and one regional office in Puerto Rico. The various divisions of the office serve and counsel corresponding administrative units of the Department.

The work of the Office consists, among other things, of the rendering of legal opinions relative to the application of statutes, executive orders, and administrative rules and regulations; the drafting, examining, and construing of contracts, deeds, mortgages, leases, and other legal documents, and the preparation of proposed administrative rules and regulations, orders, and proclamations.

The Office conducts administrative hearings in reparation, disciplinary and other types of regulatory proceedings and issues tentative findings, conclusions, and orders with respect thereto. At hearings held before the Secretary, the Solicitor's Office represents the Department as counsel, and handles contacts on legal matters with other Federal and State governmental agencies.

The Office of the Solicitor also prosecutes, for employees of the Department, applications for patents on inventions which are to be used in departmental work and considers and recommends the appropriate disposition of claims for damage both for and against the Department.

On the enforcement side, the Office examines evidence to determine whether there have been violations of acts and orders administered by the Department and, in proper cases, the Solicitor recommends prosecution to the Attorney General. Pleadings and briefs in civil and criminal cases involving these agencies and the laws administered by them are drafted by the Office, and the Office cooperates with the Department of Justice in handling such litigation in the lower and appellate courts.

Present Organization and Statement of Activities: A brief description of each functional project is given below, together with a resume of major activities:

Marketing, Regulatory Laws, and Transportation Programs:

Marketing and distribution programs: Under this project is performed legal work incident to certain activities of the Department, as follows:

(a) The execution of marketing agreements for agricultural commodities and the issuance and enforcement of orders regulating the marketing of certain commodities, under the Agricultural Marketing Agreement Act of 1937, as amended.

(b) The licensing of commission merchants, dealers, and brokers handling fresh fruits and vegetables in interstate commerce, under the Perishable Agricultural Commodities Act, and the regulation of trade practices through reparation and disciplinary proceedings.

(c) Activities under the Anti-Hog Cholera Serum and Hog-Cholera Virus Act, the Produce Agency Act, United States Cotton Standards Act, Tobacco Inspection Act, Standard Container Acts, Peanut Statistics Act, Tobacco Statistics Act, Export Apple and Pear Act, Renovated Butter Act, Honey-Bee Act, Dairy Products for Export Act, and the farm products inspection provisions of the annual appropriation act.

(d) The monthly publication of the decisions (Agriculture Decisions) of the Secretary of Agriculture relating to regulatory activities of the Department.

(e) The School Lunch Program.

(f) Food industry relations, including the organization and functioning of industry advisory committees, and matters pertaining to anti-trust prosecutions involving the food industry.

(g) Priorities and allocations with respect to dairy products, fruits and vegetables, and special commodities including tobacco and tobacco products.

(h) Certain price support and subsidy programs carried on by the Department with respect to the above commodities.

Legal work in this field has included the preparation of original, supplemental, and implementing food orders regulating the marketing and use of milk, butter, cheese, milk sugar, and other dairy products; canned and processed fruits and vegetables; fresh, dried, and dehydrated apples, citrus, grapes, peaches, pears, plums, and other fruits; onions, potatoes, and other fresh and dried vegetables; cocoa beans, oil of peppermint, tea, fish (salted and canned), spices, pickles, malt and other special commodities; eggs, turkeys, and other poultry and products thereof; and tobacco and walnuts. The Office has also performed legal services in connection with



marketing agreement and order programs regulating hops, fruits, vegetables, and milk; litigation under milk and other marketing orders, including assistance to the Department of Justice in the preparation and presentation of cases; and the formulation and promulgation of milk orders, or proposed amendments thereto, with regard to the marketing areas of suburban Chicago, Cincinnati, St. Louis, New Orleans, Boston, Philadelphia, Washington, Wichita, Fall River, New York City, Dayton, and certain other marketing areas; reparation and disciplinary proceedings under the Perishable Agricultural Commodities Act; and preparation of legislation and legal documents in connection with the School Lunch Program. An expansion of the volume of work in connection with marketing agreements and orders, the Perishable Agricultural Commodities Act and the School Lunch Program has occurred during the year and a further increase is anticipated with the return to more normal peacetime conditions.

General regulatory and transportation programs: Under this project legal work is performed incident to certain activities of the Department, as follows:

- (a) Activities under the United States Warehouse Act.
- (b) Price support programs with respect to livestock, livestock products, fats and oils, dried beans and dried peas.
- (c) The regulation of sugar marketings in interstate and foreign commerce by the imposition of quotas, under the Sugar Act of 1937, as amended.
- (d) The regulation of the business conduct of poultry dealers and handlers, packers, stockyard owners, and dealers and market agencies at stockyards, operating in interstate commerce and the prescription of rates and charges assessed by such individuals under the Packers and Stockyards Act.
- (e) The regulation of trading in futures contracts for delivery of grains, cotton, wool and other commodities on commodity exchanges and boards of trade, and the regulation of the conduct of such exchanges and boards, and the traders and commission merchants operating thereon, under the Commodity Exchange Act.
- (f) The establishment of standards of quality and condition of wheat, corn, and other grains and the prohibition of the interstate or foreign transportation of grains not officially inspected and graded under the United States Grain Standards Act.
- (g) The regulation of interstate and foreign commerce in seeds under the Federal Seed Act.
- (h) The prevention of the interstate or foreign shipment of meat and meat food products which are unfit for human consumption; under the Meat Inspection Act and Patman Amendment.



(i) Prosecution of cases with respect to rates, charges, tariffs, practices, and abandonments relating to the transportation of farm products before the Interstate Commerce Commission, the Federal Courts and the State Public Utilities Commissions.

(j) Activities under various other regulatory statutes, including the Cotton Futures Act, Insecticide Act, Naval Stores Act, Virus-Serum Toxin Control Act, Plant Quarantine Act, Animal Quarantine Act, Wool Standards Act, the Twenty-Eight Hour Law, the Farm Products Inspection Act, and other acts designed to prevent shipment of diseased livestock and the introduction or dissemination of contagious animal diseases.

(k) Enforcement of food orders and regulations.

(l) Priorities and allocations with respect to the grain and livestock groups of agricultural commodities, fats and oils, and sugar and molasses.

Legal work in this field has included the preparation of original, supplemental, and implementing food orders regulating the marketing and use of livestock, meat, meat products, fats and oils, fat and oils products, sugar, molasses, corn, flaxseed, wool, bakery products, dried beans and peas, rice, and pet foods; the preparation of legal interpretations of such orders; the preparation of regulations and amendments thereto under the statutes mentioned above and proposed amendments of such statutes; opinions interpreting such regulations and statutes; the preparation of legal opinions, pleadings, and other legal documents required in judicial and administrative actions instituted under these statutes; assisting the Department of Justice in the preparation and presentation of cases; and representing the Department in all administrative hearings under these statutes, including rate fixing cases, in which five oral hearings were had and fifteen cases were pending at the end of the fiscal year, reparation cases, and disciplinary cases under the Packers and Stockyards Act. Rate proceedings and problems will necessarily increase by reason of the increase in the number of auction markets and other livestock marketing centers in the last few years and the fact that a number of cases will involve rate hearings which were held in abeyance during the war emergency.

The legal work in connection with disciplinary cases involving trade practice regulation is increasing and very probably will exceed the prewar volume of work. Likewise, disciplinary cases including those involving the cornering of commodities or commodity futures on exchanges and boards of trade and manipulation of the prices thereof under the Commodity Exchange Act and disciplinary cases under the Federal Seed Act are expected to increase. Additional activities included the preparation of memoranda and regulations on compliance, general supervision of compliance activities in administrative and court (criminal, civil and equity) proceedings by regional attorneys in the enforcement of over 200 war food orders;

review of price support programs; participation in hearings before the Interstate Commerce Commission and State Public Utilities Commissions in 17 carrier abandonment cases and 39 freight rate cases, and in addition, one court action involving freight rates, this participation resulting in an estimated annual saving to farmers of \$176,000,000 in rates.

#### Commodity Purchase and Supply Programs:

Basic commodity programs: This project involves the performance of legal work incident to activities of the Production and Marketing Administration (CCC) with respect to the six basic commodities (corn, wheat, cotton, tobacco, peanuts and rice), nonbasic commodities (raw sugar, sugarcane, sugar beets, soybeans, flaxseed, naval stores, cottonseed, feed grains, wool and hemp), and agricultural supplies and facilities (fertilizers, feeds, harvesting machinery, etc.). These activities include:

(a) Producer loan programs for the basic commodities under the Agricultural Adjustment Act of 1938, as amended and supplemented; price-support programs for nonbasic commodities under the so-called Steagall Amendment.

(b) Subsidy programs designed to obtain necessary agricultural and food production and distribution without inflationary price rises.

(c) Procurement and supply programs designed to assure adequate supplies of agricultural commodities and foods for military and essential civilian needs.

(d) Programs involving the exercise of priorities and allocations, requisitioning and other emergency powers to the extent necessary to assure the fulfillment of emergency needs for agricultural commodities and foods.

This legal work has included services in connection with the Soybean Program, the Peanut Program, the Wool Program, the Cotton Loan and Purchase Program, the Cotton Export Program, the Wheat Loan Program, the Wheat and Wheat Flour Export Programs, the Ammonium Nitrate Program, the War Hemp Program, and many other programs. One of the most difficult and comprehensive assignments completed was the furnishing of legal service in connection with the CCC's various domestic and offshore sugar production purchase and distribution programs. In connection with these programs, which involve many aspects of both the domestic beet and cane sugar industries and the Caribbean and Territorial can sugar industries, and under which, among other things, the CCC purchases the entire Cuban and Puerto Rican sugar crops, this office prepared many comprehensive contracts, together with numerous legal documents to be used in implementing such programs, and gave oral and written day-to-day legal advice.



Legal problems presented include not only the usual ones relating to security instruments, warehousing, corporate organization and financing, but also problems relating to the laws of foreign nations, and, because the Commodity Credit Corporation is a Government corporation, problems involving its immunity from State regulation and its right to assert the sovereign immunities of the United States.

Commodity supply programs: Under this project is performed legal work incident to certain activities of the Production and Marketing Administration (CCC), as follows:

- (a) The making of food purchases to fill the needs of Government agencies, UNRRA, foreign governments, relief organizations, etc. It also includes the transportation, handling, and warehousing of all food and other commodities purchased for these purposes.
- (b) Sales of Government surplus food stocks.
- (c) Reconversion and contract termination.
- (d) Price support activities involving subsidies and purchases with respect to processed foods and nonbasic agricultural commodities.
- (e) Export, purchase, and domestic diversion programs under Section 32, Public Law No. 320, 74th Congress, as amended.
- (f) Priorities for the acquisition of foods by Government agencies and Government contractors.
- (g) Allocation of foods to ship suppliers and contract schools.
- (h) Regulation of warehousing and of food importation.

Legal work in this field has included the review of a vast number of contract forms and agreements, assistance in compliance activities in connection with food orders, review of many purchase and price support programs, export and diversion programs, preparation of legal documents in connection with the construction and acquisition, operation, and disposition of over fifty-five lend-lease plant expansion projects, preparation of documents and general supervision of requisitioning proceedings, general supervision of food priorities, handling of a large number of claims both in favor of and against the Government involving several hundred thousand dollars, the rendering of assistance to the Department of Justice in litigation arising out of claims, and preparation of numerous legal opinions on a wide variety of topics, including contract activities, basic problems of priority control and allocation, surplus property, contract termination and relationships with other agencies.



Agricultural Adjustment, Crop Insurance, and Labor Programs:

Conservation and adjustment programs: Under this project is performed legal work incident to certain activities of the Production and Marketing Administration, as follows:

(a) Agricultural conservation programs, range conservation programs, and naval stores conservation programs, on the continent and in the territories, and payments to eligible producers, under the Soil Conservation and Domestic Allotment Act, as amended.

(b) General crop insurance programs with respect to cotton, wheat, and flax, and experimental insurance programs on corn, tobacco, and other crops selected for experimental programs.

(c) Payments to sugar beet and sugar cane producers, under the Sugar Act of 1937.

(d) The imposition and adjustment of marketing quotas under the Agricultural Adjustment Act of 1938, as amended.

(e) Fees or limitations on certain imports in order to prevent interference with specified programs, under Section 22, Agricultural Adjustment Act (1933).

Legal work has included the preparation of orders, forms and procedures required for the control of the distribution of scarce farm materials and supplies, such as machinery, fertilizer, feeds, insecticides, lumber, copper wire and engines; and preparation of the necessary regulations, forms and procedures for a program of soil and water conservation designed to assure the maximum production of crops, for a tobacco marketing quota program to provide adequate supplies of tobacco without interference with the production of other essential crops, and for crop insurance programs covering cotton, wheat, flax, corn and tobacco.

Stabilization and labor programs: Under this project is performed legal work necessary to the certain activities of the Production and Marketing Administration, Office of Foreign Agricultural Relations, and Extension Service, as follows:

(a) The stabilization of wages and salaries of agricultural labor pursuant to the Stabilization Act of 1942, the Stabilization Extension Act of 1944, Public Law 108, 79th Congress, Executive Order 9250 of October 3, 1942, Executive Order 9328 of April 8, 1943, and directives of the Stabilization Director.

(b) The recruitment, transportation, placement, and distribution of farm laborers pursuant to Public Law 45, 78th Congress, the Farm Labor Supply Appropriation Act, 1944, as supplemented, including the negotiation of agreements with Mexico, Jamaica, Bahamas, Barbados, and Newfoundland for the importation of agricultural workers, and the feeding, shelter, and medical care of the workers imported.

(c) The primary responsibility for all work in agriculture in the foreign field, including the collection and dissemination of foreign agricultural information obtained from the foreign service of the United States and from special investigations under Public Law 304, 71st Congress, participation in reciprocal trade agreement negotiations pursuant to Public Law 316, 73rd Congress, as amended, and international commodity agreements, and cooperation with governments of the other American republics under Public Law 63, 76th Congress.

(d) Approval of maximum prices on agricultural commodities under the Emergency Price Control Act of 1942, as amended by the Stabilization Act of 1942 and the Stabilization Extension Act of 1944, and Public Law 108, 79th Congress, and Executive Orders 9250 and 9328.

Legal work has included the preparation of major regulations in the wage stabilization field, each of which has been revised on occasion, and the preparation of 89 specific wage ceiling orders, replying to letters involving legal problems concerning wage stabilization, writing opinions concerning wage stabilization, participating as examiners and prosecuting attorneys in and reviewing wage stabilization violation cases, assisting in preparing and interpreting international agreements with five different countries or crown colonies, and drafting agreements with individual foreign and domestic workers and employers.

Numerous legal problems arose relating to government contracts and claims and the operation of labor camps. Memoranda were written giving legal clearance to maximum price regulations on agricultural commodities and interpreting the basic statutes and Executive Orders with respect thereto, and participating with the Office of Price Administration in court action. The Office prepared legislation and revised proposed contracts for personnel going abroad, reviewed proposed international commodity trade agreements, and prepared opinions on the reciprocal trade agreements act.

#### Rural Electrification Programs:

Electrification loans: In general, this project includes all legal work incident to an REA loan prior to the construction period. The core of the work is similar to that of a private law office specializing in investment banking. It involves the preparation of loan contracts, notes, bonds, mortgages, trust indentures and related documents; supervision of the corporate action of borrowers; and other legal activity necessary to insure the validity of the government loans and the security therefor. In addition to these matters that are common to all long-term corporate financing, there are other matters growing out of the facts that the lender is the government and the cooperative borrowers represent a unique development in the electric light and power industry. Without attempting a complete enumeration of functions, the following are illustrative:



- (1) Examination of each loan docket, prior to allotment, to determine:  
(a) whether all purposes of the loan are within the provisions of the Rural Electrification Act of Congress; (b) whether any matters of state law require special attention or modification of the project; and (c) whether the docket presents a body of evidence sufficient to justify the Administrator's certificate of "feasibility" under the standards prescribed by the Act of Congress.
- (2) Preparation or review of articles of incorporation, bylaws and corporate resolutions with respect to new borrowers. Also amendments of articles and bylaws with respect to existing borrowers.
- (3) Preparation of loan contracts, notes, bonds, mortgages and trust indentures, evidencing the loans and the security therefor.
- (4) Preparation of corporate resolutions of meetings of cooperative directors and members necessary to validate the loans and their security. With respect to loans to public agencies, preparation of ordinances, bond resolutions, etc., and supervision of validating procedures.
- (5) Instructions to local counsel of borrowers. These are now highly standardized, taking into account certain legal differences in the several states. In addition to general instructions, it is frequently necessary to conduct extended correspondence in special matters.
- (6) Determination of a variety of matters to be contained in opinions submitted by local counsel of borrowers and examination of such opinions after submission thereof.
- (7) Examination of a variety of documents as follows: All loan documents, to assure proper execution; mortgage recordation certificates, to assure proper recording in all counties where facilities are to be constructed; requisite certificates of regulatory bodies; and others.
- (8) Preparation of frequent amendments to loan contracts and supplemental mortgages, either at the instance of the REA Administrator or because of the requirements of state law.
- (9) Special work of importance and complexity in connection with the acquisition by borrowers of existing electric facilities, including the conduct of formal closings.

Electrification construction and operations: The legal work under this project falls broadly into three categories, as follows: (1) Legal Matters Incident to Construction of Projects, (2) Legal Matters Incident to Operation of Energized Systems, and (3) Litigation and Legal Research.

(1) Legal Matters Incident to Construction of Projects. This category primarily involves business law incident to the electric light and power industry. It grows out of the fact that the Rural Electrification Administration is much more than a banker and is responsible for a social program, requiring close supervision of its borrowers' construction activities.



- (a) Preparation or review of contracts between borrowers and parties other than the Government, all of which, under REA loan contracts, require the approval of the Administrator. These include contracts for construction, engineering, purchase of materials, wholesale energy, crossings of railroads and other power lines, arrangements with telephone companies respecting inductive interference, and other miscellaneous matters.
  - (b) Relations between borrowers and their contractors, including awards under competitive bidding, legal disputes, claims under surety performance bonds, etc.
  - (c) Legal aspects of insurance coverages by borrowers and their contractors under REA requirements.
  - (d) Highway permits from state, county and local authorities require important legal attention by way of instructions to local counsel and examination of proofs submitted.
  - (e) Examination of opinions of local counsel and certificates of cooperative managers with respect to private rights of way. The lines already financed by REA have required more than 1,000 separate easements. Although attorneys in the Solicitor's Office do not, of course, examine these separate instruments, they must examine overall proofs submitted by borrowers and supervise, by way of general and special instructions, the obtaining of a lawful right of way for Government-financed lines. In certain competitive situations this matter has critical importance.
  - (f) Title work in connection with sites for office buildings, substations, generating plants, refrigerator locker plants and also in connection with acquisitions of existing electric facilities.
- (2) Legal Matters Incident to Operation of Energized Systems. Most of this workload is fairly constant from year to year, regardless of the volume of new projects. There will be an abnormal expansion in certain items in fiscal 1947, owing to the rapid expansion of the REA program and the close interrelation between new loans and the operation of existing systems of borrowers.
- (a) Tax matters, state and Federal, including certain important new problems growing out of the fact that an increasing number of electric cooperatives are no longer exempt from Federal income tax, presenting a number of problems peculiar to the cooperative method of doing business.
  - (b) Negotiation and renegotiation of wholesale energy contracts.
  - (c) Proceedings before regulatory bodies involving rates and other operational matters.
  - (d) Mergers of REA cooperatives and other types of reorganization.

(e) Contractual relations of borrowers among themselves and with others.

(f) Refunding of obligations to give effect to new REA policies and to the provisions of the Department of Agriculture Organic Act of 1944.

(g) State legislation. Nearly every state has enacted legislation during the last few years with particular reference to electric cooperatives. The Solicitor's Office has responsibility in advising borrowers, upon request, with respect to desired legislation and also proposals adverse to the program.

(3) Litigation and Legal Research. These activities cut across both of the categories described above. Litigation is chiefly concerned with Certificates of Convenience and Necessity or other necessary authorizations from state regulatory bodies but it also includes certain important court proceedings in which REA is interested. These proceedings involve either the security for the Government loans or matters of program policy. During recent months there has been a considerable increase in opposition to the REA program, reflecting itself in various types of litigation in at least half of the states. It is expected that this trend will continue throughout the fiscal year 1947. Even with respect to certain uncontested proceedings before regulatory bodies, some attention of the Solicitor's Office is necessary because the security of the Government loans and the effective conduct of the program are basically involved.

Legal research varies with the volume of extensive new projects, raising new legal questions. During the war most of REA construction was short extensions from existing lines involving a minimum of new matters requiring research.

#### Forestry, Research, and General Legal Services:

Research and general legal services: This project includes the legal work incident to the following:

(a) Activities of the Agricultural Research Administration and its eight constituent bureaus which carry on the research work of the Department, including the four Regional Research Laboratories established under the Agricultural Adjustment Act of 1938, as amended, and the State-Federal cooperative and grant-in-aid work with the State Experiment Stations and State Extension Services; patent advice and assistance, both in Washington and at the site of work, and activities of the Office of Budget and Finance, the Office of Personnel, the Bureau of Agricultural Economics, the Office of Plant and Operations, the Library, and general staff work of the Office of the Secretary.

(b) The general responsibility of the Department under the Surplus Property Act of 1944, the Contract Termination Act, the War Mobilization and Reconversion Act, Public Law 518, 78th Congress (authorizing the settlement of certain farmers' indebtedness), and other legislation



similarly requiring general coordination. This has involved collaboration with the Surplus Property Administration in the preparation of regulations affecting this Department under the Surplus Property Act, as well as departmental instructions; preparation of regulations and instructions under the debt settlement act; and preparation of regulations and instructions for use under the Contract Termination Act.

(c) Appointment, classification, compensation, discipline, and leaves of absence of Department personnel; personnel irregularities, including referral of criminal cases to the Department of Justice and recovery under employees' bonds and otherwise; interpretation of such acts as the Civil Service Act, the Classification Act of 1923, the annual, sick, and military leave laws, overtime and basic pay acts, the Retirement Act, the Mead-Ramspeck Act, the Hatch "Clean Politics" Act, and the Ramspeck Act. Considerable legal advice was furnished on personnel problems, particularly interpretations of veterans' preference legislation, civil service rules, the revised leave regulations, the act providing for lump-sum payments for annual leave, and the Federal Employees Pay Act of 1945. This latter statute will continue to demand considerable attention for some time.

(d) The availability of funds for all administrative expenses incident to the activities of the Department, and for all other expenses not immediately related to program operations; invitations to bid, bid specifications, contracts, bonds, and leases for administrative operations, and regulation and control of administrative property; general bankruptcy matters; liaison work with the Division of Federal Register, National Archives; statutes, regulations and executive directives which affect all bureaus and agencies of the Department, including its program operations, such as the Walsh-Healey Act, the Davis-Bacon Act, the Copeland Act, Title II of the First War Powers Act, 1941, the Eight-Hour Law, fair employment practices, excise taxes, and penalty mail. Extensive work has been done in connection with the applicability of social security legislation to market administrators and market agents.

(e) Budget estimates, appropriation language and legislative counsel with respect to general appropriation matters, including the Department appropriation act; claims for damages to property and for personal injuries on account of negligence of Department personnel and all claims on behalf of the Department for damages to its personal property; and patents, copyrights, and trade marks.

Forestry and lands programs: This project includes legal work primarily incident to activities originating in the Forest Service and the Soil Conservation Service, as follows:

(a) Forest Service activities, including the administration and extension of national forests; protection in collaboration with the States of the watersheds of navigable streams and the purchase of lands for the purpose of conserving the navigability of streams and



to promote the continuous production of timber; the protection, in collaboration with the States, of forest lands and the reforestation thereof; the demonstration of reforestation, growing and utilization of timber and other forest products; the establishment and administration of sustained-yield forest units; the establishment of fish and game sanctuaries in the national forests; cooperation with the States in the development of State forests and farm forestry; cooperation with other agencies in experimental work relating to the development and use of wood products; emergency fire protection; the determination of forest products requirements; and legal work in connection with the Emergency Rubber Project.

(b) Soil Conservation activities, including the purchase of land unsuited to cultivation and the administration and development of such land for better adapted use, under the Bankhead-Jones Farm Tenant Act; extending on a cooperative basis the facilities of Departmental agencies to such State and local agencies as soil conservation districts, wind-erosion districts, grass conservation districts, and others, under the Soil Conservation and Domestic Allotment Act, as amended; and providing for the operation and maintenance of systems for the delivery of water and the settlement of lands pursuant to the Case-Wheeler Act, as amended, and the water conservation and utilization item contained in the Department of the Interior Appropriation Act of 1940, as amended.

(c) Water activities, including all phases of water development, conservation, use and disposal.

(d) Mineral activities, including the leasing of mineral rights on lands administered by the Soil Conservation Service, Forest Service and Farm Security Administration, and over-all Departmental mineral problems.

(e) Land acquisition activities, including the preparation, procurement of abstracts and curative data and examination and approval of title to all lands acquired by the Department.

Legal work for forestry activities has included the preparation of opinions and the preparation and review of numerous contracts and agreements incident to the protection and administration of over 178,000,000 acres under the jurisdiction of the Forest Service, including the administration and control of the sale of timber from and the occupancy and use of such lands, and the preparation and review of numerous documents in connection with the Guayule Rubber Program and the Timber Production War Project.

In connection with soil conservation activities the Office prepared opinions and prepared and reviewed numerous documents relating to the Department's activities in land utilization, soil and water conservation, and flood control, including cooperative agreements with States and other agencies incident to the administration of the land utilization areas which comprise over 7,000,000 acres under the jurisdiction of the Soil Conservation Service, and reviewed documents and participated in the drafting of State legislative bills pertinent to the 1,300 soil conservation and other districts which embrace over 70,000,000 acres.

Water activities included the preparation of opinions and review of dockets, reports and inter-departmental agreements and other legal instruments in connection with flood control work as authorized by the Flood Control Act of 1944. The Office has conferred on pending Federal legislation pertaining to drainage activities and prepared analyses of State laws with reference to Federal cooperation with local drainage organizations.

Mineral activities performed by the Office included the preparation, review and interpretation of mineral leases, the examination of the qualifications of lessees, approval of performance bonds, and the examination of applications for surrender and assignment of mineral leases. The Office also reviewed the unitization agreement involving lands of this Department, Interior, the State of Michigan, and private persons. Mineral regulations and procedures were also prepared by the Office.

The legal work in connection with land acquisition included preparing and procuring abstracts of title, examination and approval of titles to all lands acquired by the Department, review of numerous claims under Public Law 120, 78th Congress, and the preparation of quitclaim deeds to perfect title in many cases.

#### Farm Security Programs:

Farm tenancy and water facilities programs: Under this project is performed legal work incident to activities of the Farm Security Administration, as follows:

(a) The making, servicing and collection of loans to farmers for the purchase of farms under Title I of the Bankhead-Jones Farm Tenant Act. The special legal problems involve the preparation or review of opinions of title to real property, negotiations for title insurance and the approval or disapproval of the sufficiency of title insurance proposals, the preparation of various real estate loan and security instruments and the foreclosure of real estate mortgages. The work also requires a current and intimate knowledge of the laws relating to fire, windstorm and title insurance. Marked increases seem certain to occur in the volume of this work, even during the current fiscal year, due, primarily, to increases of over 300% over the amount authorized for loans in 1945. The special authorization of \$25,000,000 for loans to veterans of World War II without regard to the basic formula for distribution of tenant loan funds, has resulted in loans in counties where the agency has not operated heretofore. The increased volume and age of outstanding tenant purchase loans will also result normally in more foreclosures, sales and transfers of land by borrowers, and other transactions incident to loan servicing and collection. It is estimated that by June 30, 1946, there will be 42,000 tenant purchase loans outstanding, aggregating \$185,000,000.

(b) The sale, in accordance with tenant purchase procedure and standards, of resettlement and rural rehabilitation project lands in liquidation which, pursuant to Section 43 of the Bankhead-Jones Tenant



Act, are found suitable for the purposes of Title I of that Act. This work involves substantially the same special legal problems as are indicated under paragraph (a). It is estimated 3,000 of such units will be sold by June 30, 1946, pursuant to Title I.

(c) The supervision of veterans' loan committees which make the certifications and recommendations relating to loans to veterans guaranteed by the Administrator of Veterans' Affairs, for the purchase of land, buildings, livestock, equipment, machinery or implements, or the repair and improvement of such property used in farming operations, pursuant to Sections 500-505 of the Servicemen's Readjustment Act of 1944, as amended. From January 1, 1945, through September 30, 1945, 1,223 applications for guaranty have been received. Of this number 691 have been recommended for approval.

(d) The construction of facilities for the conservation and utilization of water by farmers in the arid and semiarid areas of the United States pursuant to the Act of August 28, 1937, commonly known as the Pope-Jones Water Facilities Act. These programs involve the making of loans to individuals and groups or associations of farmers for the construction and development of wells, ponds, ditches, reservoirs, pumping installations and other facilities for water storage or utilization and appurtenances to such facilities for the purpose of providing water for domestic, livestock and irrigation uses. They also involve technical advice and guidance in connection with such loans and the planning and construction of such facilities. In addition to the usual title and security problems and the problems of Federal law, these programs require an examination of corporate organization of water users' associations and irrigation districts and of water rights under State law. With the relaxation of construction restrictions and the availability of materials, there will be an increase in the number of projects that can be undertaken. It is estimated that the amount of the outstanding loans on June 30, 1946, will be \$3,000,000. It is estimated 1,100 of these loans, for approximately \$800,000, will be made during the fiscal year 1946.

Rural rehabilitation programs: Under this project is performed legal work incident to activities of the Farm Security Administration, as follows:

(a) The making and administration of rural rehabilitation loans, flood loans, and grants, under the various acts appropriating funds to assist needy farmers by (1) furnishing farm debt adjustment services, (2) making and servicing loans to individual farmers, and (3) servicing outstanding loans and grants previously made through Farm Security Administration and its predecessors. The legal work is of enormous volume and includes, as a major activity, the preparation and enforcement of promissory notes, chattel mortgages, and pledge agreements of various kinds. The more aggressive collection policy has substantially increased the legal work incident to this activity. Marked increases in loan activity seem certain to occur in 1947. The loans outstanding as of June 30, 1945, aggregated approximately \$317,000,000.



(b) The administration, as trustee, pursuant to agreements between the Secretary of Agriculture and forty-three State Rural Rehabilitation Corporations, of the assets of such Corporations in furtherance of rural rehabilitation in the respective states. This legal work is of considerable volume and involves the additional complexities incident to the administration of trust estates by a Federal agency. There are forty-three separate trust accounts involved. Total assets aggregate approximately \$52,000,000.

(c) The administration of the Bankhead-Black Act. The legal work includes the preparation or approval of agreements for payments to local tax units in lieu of taxes, and documents affecting the dedication of lands to public bodies in furtherance of rural rehabilitation. Approximately 400 such agreements were entered into during the fiscal year 1945.

(d) Servicing outstanding loans to cooperative purchasing and marketing associations (including the liquidation of those found not to be financially sound or which may, for other reasons, require such liquidation), administration of medical and health programs, including grants to local associations furnishing medical, hospital, and dental assistance to low-income farm families. As of June 30, 1945, there was approximately \$12,150,000 in loans outstanding to cooperative associations.

(e) The liquidation of all resettlement projects and rural rehabilitation projects for resettlement purposes, including homestead, cooperative farming, land purchasing, and defense relocation corporations, and all activities involving cooperative purchasing for colonies of rehabilitants or tenant purchasers. Among other things, the legal work involves the preparation of liquidation agreements involving intricate factual situations, cancellation of long-term leases, the dissolution of cooperatives and corporations now on the projects, the preparation of sales agreements, corporate resolutions, deeds, mortgages, and notes, and the interpretation of statutes and Executive Orders governing or bearing upon such projects. During the period July 1, 1945 to December 15, 1945, sales of 1,368 separate units involving 259,288 acres had been completed. The total sales price was approximately \$8,304,800. There still remains to be liquidated 5,261 units representing a total acreage of 1,059,962. The sales of such property on credit, the enforcement of the Government's rights with respect to property thus sold, and the handling of litigation incident to liquidation will require a very considerable amount of continuing legal work.

In addition to the special legal problems mentioned above, the legal work required in all of the Farm Security programs includes developing and applying regulations and instructions; preparing opinions, memoranda of law and correspondence; handling a large volume of litigation necessitating reference of cases to the Department of Justice with comprehensive reports dealing with the facts and the special provisions of law which apply; handling compromises of indebtedness, either under the special powers of the Secretary of Agriculture or by reference to the Secretary of the Treasury or the Attorney General; and reviewing for legal clearance a large volume of administrative correspondence.

Farm Credit Programs: The Office of the Solicitor furnishes legal services required by the Farm Credit Administration. The services relate to:

(a) Supervision of various incorporated credit agencies supervised by the Farm Credit Administration, which are the Federal land banks, national farm loan associations, and joint stock land banks (in liquidation), operating under the Federal Farm Loan Act (1916); Federal intermediate credit banks, operating under the Agricultural Credits Act of 1923; and production credit corporations, production credit associations, and banks for cooperatives, operating under the Farm Credit Act of 1933.

(b) The conduct of certain direct loan programs administered by the Farm Credit Administration, including crop and feed loans under the Act of January 29, 1937; loans to farmers on behalf of the Federal Farm Mortgage Corporation under the Emergency Farm Mortgage Act of 1933; liquidation of a \$500,000,000 revolving fund for use in making loans to cooperative associations under the Agricultural Marketing Act; and loans by the Regional Agricultural Credit Corporation of Washington, D. C., under the Emergency Relief and Construction Act of 1932 and the Farm Credit Act of 1937.

(c) Assistance under the Cooperative Marketing Act of 1926 to farm groups through research and technical assistance in the development and maintenance of effective marketing, purchasing, and agricultural services to cooperative organizations; and the operations of the Federal Farm Mortgage Corporation.

During the fiscal year 1945 the Office advised the Farm Credit Administration regarding legal questions pertaining to its internal operations, functions, powers, and programs, and to its exercise of supervision over corporate credit agencies. This included legal advice relating to the terms of and enforcement of loans of the various credit agencies, and, as to the corporations involved, their investments, personnel practices, corporate procedures, rights and obligations under contracts, status as public or private corporations, and issuance and retirement of stock and other securities. The Office prepared or assisted in preparing regulations, orders, and bulletins issued by the Farm Credit Administration to govern the agencies under its supervision and its direct loan programs; prepared various legal forms; performed legal services with respect to legislation affecting the interests of the Administration and its agencies; participated in organization studies of the legal departments of the farm credit districts; prepared periodical summaries of legal cases relating to cooperative associations; and supervised or assisted in the conduct of civil litigation and reported civil and criminal cases to the Department of Justice. In addition to the foregoing, the Office performed special legal services in connection with farm credit programs as follows:

Long-term credit programs: The Office initiated with the legal staffs of the district Farm Credit Administration a broad study of title procedures with a view to simplification and economy to farmers



who obtain mortgage loans from the Federal land banks and Federal Farm Mortgage Corporation. Legal assistance was furnished in connection with the calling of over \$60,000,000 of consolidation Federal Farm loan bonds, borrowings aggregating some \$250,000,000 by the twelve Federal land banks from commercial banks, borrowings by Federal land banks individually from the Federal Farm Mortgage Corporation aggregating over \$172,000,000, and the issuance of consolidated bonds amounting to some \$370,000,000, some for collateral purposes and some for public sale.

Legal services were furnished in relation to plans for the financial rehabilitation of national farm loan associations and certain litigation now pending in the Sixth Circuit Court of Appeals, involving the rehabilitation plan adopted by the Federal Land Bank of Louisville.

Legal assistance was rendered in the drafting of regulations and procedures to be used by the Farm Credit Administration in the disposition of surplus agricultural and forest property under authority originating in the Surplus Property Act of 1944, and in the preparation of regulations and procedures in connection with the guaranty of loans for the purchase of farms under the Servicemen's Readjustment Act of 1944.

Short-term credit programs: The Office assisted in the conduct of litigation in State and Federal courts, involving short-term loans and collections; prepared deeds, leases, and other documents necessary to the continuing liquidation of assets in the Revolving Fund; assisted in working out procedures for the retirement of Government capital in the production credit system; and furnished legal services incident to the continued operation of the Regional Agricultural Credit Corporation of Washington, D. C., in areas designated by the Secretary of Agriculture pursuant to the provisions of Section 2 of the Agricultural Appropriations Act of 1945.

The Office also assisted the Emergency Crop and Feed Loan Division and the Revolving Fund Section in devising and establishing procedure for carrying into effect the provisions of Public Law 518, 79th Congress, approved December 20, 1944, relating to compromise, adjustment, and cancellation of indebtedness arising from loans made to farmers under certain specified Acts of Congress.

#### General Administration and Business Functions:

This project includes the supervision and direction, by the Solicitor and his immediate staff, of the performance of all legal work mentioned above for the Department, both departmental and field; and all administrative and business functions of the Office, both departmental and field, including personnel, budget, fiscal, procurement, and administrative services.

#### Field Activities:

Pursuant to the policy of the Solicitor's Office as reorganized in July, 1942, responsibility has been delegated insofar as is possible to regional attorneys in the field offices. The eleven regional offices have performed all phases of legal work in connection with the program activities of the Department carried on in the regional areas of the component agencies.



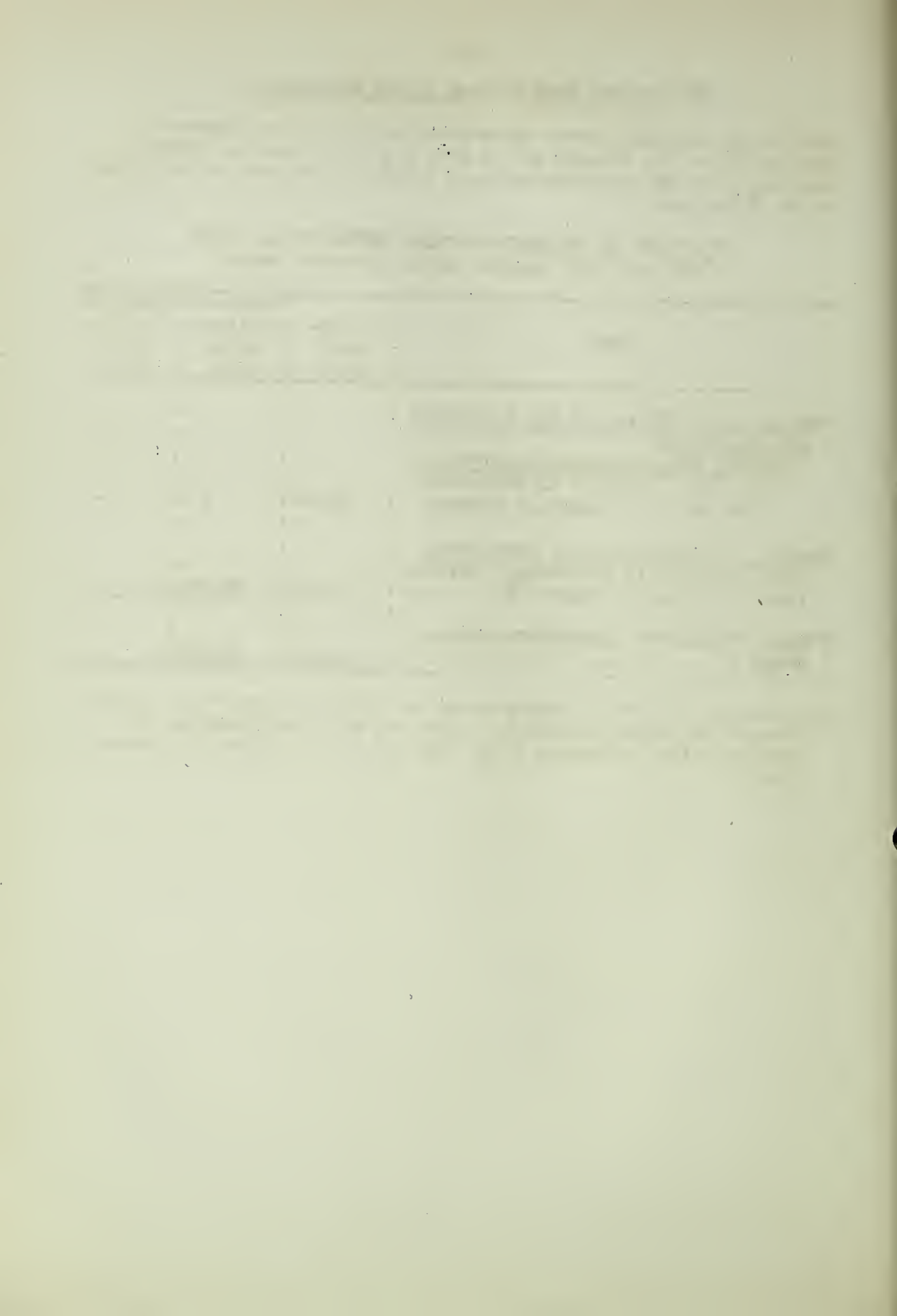
(b) Working Fund (Office of the Solicitor)

This budget schedule covers obligations under advances pursuant to Section 601 of the Economy Act of June 30, 1932, from the Federal Crop Insurance Corporation for legal services performed by the Office of the Solicitor.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS  
(1944 and 1945 figures include overtime costs)

Item	: : Obliga- : tions, : 1945	: Estimated: : obliga- : tions, : 1946	: Estimated: : obliga- : tions, : 1947
<u>Working Funds (Office of the Solicitor)</u>	:	:	:
<u>Advances from:</u>	:	:	:
<u>Federal Crop Insurance Corporation:</u>	:	:	:
For legal services in connection	:	:	:
with the crop insurance program	: 15,881:	: --:	: --
<u>Supply and Distribution of Farm Labor:</u>	:	:	:
Legal services in connection with the	:	:	:
farm labor supply program a/ .....	: 40,018:	: 26,972:	: --
<u>TOTAL, OBLIGATIONS UNDER SUPPLEMENTAL</u>	:	:	:
<u>FUNDS .....</u>	: 55,899:	: 26,972:	: --

a/. Allotment from funds appropriated on a calendar year basis for the farm labor supply program in a separate act. Availability of present funds appropriated for this program is limited to December 31, 1946.



PENALTY MAIL ESTIMATE  
Sec. 2, Public Law 364, 78th Congress  
(Allotment to Office of the Solicitor)

	:	:	:	:
	1945	1946	1947	Increase (+) or Decrease (-) 1947 over 1946
Category 1	--	--	--	--
Category 2	\$1,574	\$2,250	\$2,500	+\$250
Total	1,574	2,250	2,500	+ 250

Category 2 consists of operational and administrative correspondence between the various units and field offices of the Solicitor's Office, and with the various bureaus of the Department in connection with the legal work being performed for those bureaus, including distribution of legal opinions and the transmittal of case material during the course of consideration; correspondence with other Government departments and the public, including correspondence with the United States Attorneys in litigation matters, the distribution of notices incident to the holding of administrative hearings, numerous demand letters incident to the collection of outstanding loans of the credit agencies and legal correspondence with rural electrification and other cooperative associations.

The increase of \$250 for 1947 will be required to cover the cost of mailing correspondence originating in the various units and field offices of the Solicitor's Office as the result of: (1) additional legal and title work incident to the forest land acquisition program contemplated in fiscal year 1947 for the purpose of the Weeks Forestry Act; (2) the expanded rural electrification program; and (3) increase in anticipated legal work relating to farm security loans processed during 1946 and prior fiscal years.



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The University of Chicago Library is pleased to announce the acquisition of a new volume, *The History of the United States*, by *John Jay*. This volume is a comprehensive history of the United States, covering the period from the first settlement to the present. It is a valuable addition to the library's collection and is available for loan to members of the library.

The volume is a hardcover, 12 inches high, 8 inches wide, and 1.5 inches thick. It is bound in a dark green cloth with gold lettering. The title is *The History of the United States*, and the author is *John Jay*. The volume is a new edition, published in 1998. It is a valuable addition to the library's collection and is available for loan to members of the library.

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OFFICE OF INFORMATION

(a) Salaries and expenses

Appropriation Act, 1946 .....	\$453,000
Transfers, 1946, from other appropriations (shown in detail below) .....	+167,630
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945 (actual additional funds required, \$76,000; offset in part by an estimated saving of \$4,000 for bulk mailing costs under Section 3, Public Law 374, 78th Congress) .....	+72,000
Total anticipated available, 1946 .....	692,630
Budget estimate, 1947:	
Direct appropriation .....	\$578,500
Transfer from Commodity Credit Corporation .....	12,555
	591,055
Change for 1947:	
Overtime decrease .....	-12,297
Other decrease .....	-89,278
	-101,575

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
1. General administration : of Office of Information: and of informational work .....	\$90,509:	\$93,049 :	\$33,600:	-\$59,449
2. Business service, in- cluding communications and records .....	34,314:	42,335 :	42,100:	-235
3. Publications prepara- tion, distribution and control .....	170,045:	200,998 :	192,220:	-8,778
4. Preparation and distri- bution of special re- ports and current in- formation .....	109,073:	91,668 :	57,854:	-33,814
5. Preparation and distri- bution of agricultural information by exhibits :	46,620:	66,000 :	115,900:	+49,900
6. Preparation and distri- bution of agricultural information by radio . :	60,458:	62,797 :	37,100:	-25,697
7. Preparation and distri- bution of agricultural information to the press:	58,369:	65,340 :	53,985:	-11,355
8. Preparation and distri- bution of agricultural information by motion pictures .....	192,629:	58,146 :	58,296:	+150

(Continued on next page)

Project	1945	1946 :(estimated):	1947 :(estimated):	Increase or decrease
9. Overtime pay .....	91,580:	12,297 :	- -:	-12,297
Covered into Treasury as miscellaneous receipts, :	:	:	:	:
Public Law 529 .....	200:	- - :	- -:	- -
Unobligated balance ....	39,705:	- - :	- -:	- -
Total available .....	893,502:	692,630 :	591,055:	-101,575 (1)
Continuing transfers from:	:	:	:	:
Commodity Credit	:	:	:	:
Corporation .....	-11,179:	-12,854 :	-12,555:	:
"Salaries and expenses, :	:	:	:	:
War Food Administra-	:	:	:	:
tion" .....	-215,000:	-154,776 :	- -:	:
Transfers from other	:	:	:	:
appropriations (as shown:	:	:	:	:
in detail in Budget	:	:	:	:
schedules) .....	-153,321:	- - :	- -:	:
Anticipated supplemental	- -:	-72,000 :	- -:	:
Total estimate or	:	:	:	:
appropriation ....	514,002:	453,000 :	578,500:	:

#### INCREASES OR DECREASES

(1) The net decrease of \$101,575 in estimated available funds under this item for 1947 consists of the \$12,297 decrease for overtime, and the following:

(a) A decrease of \$153,367 due to eliminating from the estimates for 1947, the funds transferred in 1946 from the appropriation "War Food Administration, Salaries and expenses."

(b) An increase of \$1,600 for placing on a full-year basis in 1947, within-grade salary advancements which are estimated to be in effect for only a part of the fiscal year 1946.

(c) An increase of \$12,717 to provide editorial assistance and other necessary expenses for the preparation and editing of the Agricultural Yearbook.

The Need: Adequate planning for production of the Agriculture Yearbook as a regular series requires the simultaneous preparation and compilation of material for a book on one agricultural subject while the book to follow it is in the planning stage of research and review of subject matter, preliminary writing and outline of related phases of subject material. The extremely wide range of agricultural science and activity requires a complex interweaving of subject matter covering many phases of any one selection of a subject from



this range. The description and explanation of the complex subject chosen is simple, clear language with few but adequate illustrations, requires the highest degree of writing and editorial skill, and knowledge of agricultural science. It requires constant collaboration with Department specialists, cooperating agricultural workers in public and private agencies, and educational agencies.

Work Plan: One editor must oversee all Department activity relating to Yearbook preparation, consult with Department scientists and specialists on the accuracy or adequacy of proposed material, analyze and coordinate all material for the book, and complete the final editing of the entire book. At the same time a subordinate editor and a trained research worker should be engaged in preparing the outline for the succeeding Yearbook, and work with research technicians on subject matter preparation. The trained research worker in agricultural subjects will be required to carry forward minor editorial duties, book research, compilation of research data and bibliography references from various sources, and assist in office duties.

(d) An increase of \$49,772 to conduct exhibitions at fairs in the summer and fall of 1946; to revise existing exhibits; and to prepare up-to-date, new exhibits, for the calendar year 1947 exhibit season.

Objective: To provide for planning, production and display of agricultural educational exhibits at fairs and other places where suitable exhibition opportunities may be developed; to coordinate exhibit activities of the Department; and to provide technical advice and assistance to the Department and its branches in the use of educational exhibits for disseminating agricultural information.

The Problem and Significance: Opportunities for the dissemination of agricultural information by means of exhibits at fairs should be restored to a large extent during the summer and fall of 1946, and should be fully restored by the summer and fall of 1947. It is the Department's desire to take advantage of these and other suitable opportunities for bring current agricultural information before the public as fully as possible and as rapidly as opportunities permit. In May 1942, conservation of transportation for war purposes induced suspension of the entire Department's exhibits-at-fairs program, and since that time light-weight cardboard displays shown in windows, at meetings, or other places were used as partial substitutes. During the period, 1942-45, some fairs suspended operations due to military use of their plants but some continued to operate, and others plan to reopen as quickly as their facilities have been released and transportation is fully available. This will result in considerable demand for increased showing of educational exhibits.

At the beginning of the fiscal year 1947 the Department will have available for showing at fairs a limited number of new exhibits presenting information on current agricultural problems, plus certain older exhibits which will have been revised and renovated with funds made available in 1946. The older exhibits which have been shown at many fairs will be useful for a while to tide over the situation until more currently needed exhibits can be prepared. The problem during the fiscal year 1947 is to meet the demand of the fair showing season of 1946 (fiscal year 1947) with the exhibits available, and to concurrently prepare new ones on reconversion and post-war problems of agriculture to meet more effectively the needs for the showing season of 1947.

The need for light-weight cardboard exhibits produced in quantity probably will also continue, and must be met, since they usually form a part of a special program activity in which it is necessary to secure rapid and widespread response.

(Continued on next page)

Distribution of Increases and Decreases, by Purposes and Projects  
(Excluding overtime pay)

Project	Increases (+) and Decreases (-), 1947					Total
	Estimated obligations, 1946	War Food transfer	Direct Appropriation			
			Within-grade salary advancements	Yearbook preparation	Exhibits at fairs	
1. General administration of Office of Information and of informational work .....	\$93,049:	-\$59,499:	+\$50:	- -:	- -:	-\$59,449
2. Business service, including communications and records .....	42,335:	-390:	+155:	- -:	- -:	-235
3. Publications preparation, distribution and control .....	200,998:	-9,550:	+772:	- -:	- -:	-8,778
4. Preparation and distribution of special reports and current information .....	91,668:	-46,601:	+70:	+12,717:	- -:	-33,814
5. Preparation and distribution of agricultural information by exhibits .....	66,000:	- -:	+128:	- -:	+49,772:	+49,900
6. Preparation and distribution of agricultural information by radio	62,797:	-25,747:	+50:	- -:	- -:	-25,697
7. Preparation and distribution of agricultural information to the press .....	65,340:	-11,580:	+225:	- -:	- -:	-11,355
8. Preparation and distribution of agricultural information by motion pictures .....	58,146:	- -:	+150:	- -:	- -:	+150
Total .....	680,333:	-153,367:	+1,600:	+12,717:	+49,772:	-89,278



CHANGES IN LANGUAGE

The estimates include proposed changes in the language of this item as follows (new language underscored, deleted matter enclosed with brackets):

Change

- |               |  |
|---------------|--|
| Change<br>No. | *** for preparation and display of exhibits, [(\$58,470)<br><u>\$115,900,*</u> and the preparation, distribution, and display<br>1 of motion and sound pictures [(\$50,000, including coopera-<br>tion with Federal, State, county, municipal, and other<br>agencies], <u>\$58,296:*</u> Provided, however, That if the total<br>amounts of the appropriations or authorizations for the cur-<br>rent fiscal year from which transfers to this appropriation<br>are herein authorized shall at any time exceed or fall below<br>the amounts estimated, respectively, therefor in the Budget<br>for such year, the amounts transferred or to be transferred<br>therefrom to this appropriation and the amount which may be<br>expended for personal services in the District of Columbia<br>2 shall be increased or decreased in such amounts as [the<br>Director of the Bureau of the Budget, after a hearing there-<br>on with representatives of the Department, shall determine]<br>are appropriate to the requirements as changed by such reduc-<br>tions or increases in such appropriations or authorizations:<br>*** Provided further, That in the preparation of motion<br>pictures or exhibits by the Department, not exceeding a total<br>of \$10,000 may be used for employment pursuant to the second<br>3 sentence of section 706(a) of the [Act of September 21, 1944<br>(Public Law 425] <u>Department of Agriculture Organic Act of<br/>1944 (5 U.S.C. 574): ***</u> |
|---------------|--|

The first change proposes the deletion of the clause "including coopera-  
tion with Federal, State, county, municipal, and other agencies".  
contained in this item in the 1946 Agricultural Appropriation Act, and  
relating to cooperation in effectuating the purposes for which the ap-  
propriation was made.

The sole purpose of the proposed deletion of this language is to shorten  
and simplify the item. The clause proposed for deletion is considered  
surplusage and, therefore, need not be retained in the annual appropria-  
tion act, the cooperative work being authorized by the Act of May 15,  
1862 (5 U.S.C. 511), establishing the Department of Agriculture, as im-  
plemented by the Act of July 24, 1919 (5 U.S.C. 563-564). Elimination  
of the language from the annual appropriation act will not--in any way--  
change the scope or character of the work performed under this appro-  
priation item, or the authority of the Department to cooperate with  
other agencies in the conduct of such work.

The second change proposes the deletion of the clause, "the Director of  
the Bureau of the Budget, after a hearing thereon with representatives  
of the Department, shall determine," contained in the proviso in the  
1946 Appropriation Act authorizing transfers from other appropriations  
or authorizations as shown in the Budget schedules. The language pro-  
posed to be deleted imposes on the Budget Director the responsibility

for adjusting the amount to be transferred whenever the amount of the appropriation or authorization from which the transfer is to be made differs from the amount of such item as estimated for in the Budget.

The language in question has been examined pursuant to a letter of last March from the Chairman of the House Appropriations Committee to the Director of the Budget on the subject of legislative provisions in appropriation bills. It appears that that portion of the proviso which authorizes the Budget Director to determine the amount of the transfer under certain circumstances may be legislative in character and, therefore, presumptively subject to a point of order, since it imposes additional responsibilities on him. Its deletion from the 1947 Bill is therefore proposed. Should the proposal be approved, it would be the intent of the Department to continue to consult with the Budget Bureau on such transfers.

The third change is merely for the purpose of incorporating in the language a reference to the title of the basic law and the related code citation applicable to the special limitation on employment as indicated in the proviso stated above.

\* Note.--In the appropriation language for this item in the printed Budget, the limitations on expenditures for exhibits and motion picture work were inadvertently not increased to include provision for placing on a full year basis in 1947, within-grade salary advancements which are estimated to be in effect for only part of the fiscal year 1946, as shown in the accompanying budget schedules. With the approval of the Bureau of the Budget, the correct limitation amounts are shown in the language contained on the preceding page.



## WORK UNDER THIS APPROPRIATION

Objectives: To coordinate and supervise the publications and information work of the Department in order that the most useful facts on agriculture may be placed before farmers and others for efficient use in agricultural production and in solving the problems of reconversion in the production, marketing and utilization of agricultural products; to function as one of the staff group of the Secretary of Agriculture in carrying out his and the Department's responsibilities required by legislative enactments; and to report on farmers' needs for food and agriculture information to the Secretary and the technical and executive staff of the Department so that programs may be concentrated on the most pressing problems of agriculture.

Necessity for the Activities: The act creating the Department of Agriculture directed it to acquire and diffuse useful information on subjects connected with agriculture in the most general and comprehensive sense. As one of the major branches of the Federal Government, the Department is also a research and service institution for the general welfare. Information work, therefore, functions as a vital part of all operations of the Department, so that the staff function of coordinating and managing the information work of the Department serves every phase of the activities required of the Department. The Office of Information in carrying out this staff function participates in helping farmers maintain efficient production for all purposes; in helping farm and city families use food for improving health, and in assisting them to meet problems of farm marketing and supply; in helping scientists and technicians through research publications and reports; and in helping farmers to plan for reconversion and peacetime adjustments.

In addition, the Office of Information functions as a service agency for bureaus of the Department in fulfilling their publication, printing and general distribution needs, and performs a part of the Department's management functions in exercising leadership in controlling the use of printing and binding funds, in utilizing funds most economically in the procurement of supplies of forms, publications, and duplicated material, and in distributing publications and current information materials. The Office of Information also has the responsibility for central control of mailing lists, release of information to press and radio channels, and coordination in preparation and distribution of motion pictures and exhibits.

Report of Activities: The Office is currently devoting its energies to present facts that will help meet the problems of producing and managing the supply of food and fiber for reconversion needs. The Office is called upon more frequently to assist in Department management and staff functions as the problem of civilian food supply remains a matter of national concern. The over-all food educational effort to obtain greater food production and to supply all needs, which the Office was asked to undertake near the end of the 1943 fiscal year, has been carried forward as a coordinated operation through Department facilities, the Offices of Price Administration and Economic Stabilization, the Advertising Council, citizens organizations and



cooperating food trade organizations. This type of activity will be terminated at the end of the 1946 fiscal year. In addition, information service through all media has been provided in 1945 and in this fiscal year to assist directly in materials and facilities and labor programs.

Publications Preparation and Control: The planning of publications, determination of total editions to be printed and methods of distribution have been carried down nearer to the offices preparing publications and planning their distribution. Bureau editors and information staff representatives consult the distribution specialists of the Office of Information more frequently to decide on the usefulness of a projected publication in terms of current needs, and to determine the preparation steps, format, and type of paper which would achieve maximum economy in paper, funds, and distribution expense. Bureaus of the Department submit their complete publication plans, and periodic revisions of plans, to the Office for reference to other bureaus as a means of promoting a common understanding and thus avoid duplication in the early stages of publications preparation.

Considerable progress is being made also in getting out promptly notices and digests of planned publications to State Extension Services to enable them to order publications more economically, and to plan their own publication programs. This helps to promote better distribution practices within the states, and to provide this Office with data needed to put printing orders on a minimum requirement basis. This also results in substantial savings of printing funds and paper in addition to the indirect benefits of improved control of distribution in the states. A standing committee of bureau editors designated in the latter part of the past fiscal year is analyzing editorial and publication practices to develop further means of improvement. Coordinated distribution of current information materials and basic statements for use as background data by department field workers and cooperating agencies is progressing satisfactorily.

Close control of orders for printed and duplicated materials was continued in operation to conserve funds, as well as paper. The degree of full cooperation obtained from all department offices at tests to full recognition by employees in all branches of the need for saving and salvaging paper. Paper savings achieved through this control amount to 48,100 pounds in the fiscal year 1945, resulting from reduced number of pages, use of both sides of the paper, single spacing, and reduction in number of copies originally ordered. In addition there were additional, though not readily measurable, savings in material reductions in the early stages of preparation resulting from a better understanding of control limitations among employees in the Department.

Requests for Information and Publications: Incoming requests for Farmers' Bulletins, leaflets, research and technical bulletins, and general information requests were handled without undue delay by adjusting work routines to produce more sorting, marking, and other preparation work for filling requests in the first five days of the

week in order to keep the total production rate up by employing part-time typists under the 48-hour week schedule. This method of adjusting employment was satisfactory during the 6-day week, but some overtime has been required during this fiscal year to prevent excessive delay in filling requests for publications. The backlog of requests was held down during most of the year, although an unusual peak developed in July 1945 due to the sustained demand for publications and information on canning in the home.

Prompt handling of Congressional requests was consistently maintained. A total of 727,800 requests were handled in fiscal year 1945 compared with the 1944 fiscal year figure of 1,055,641, which included requests for war food materials. Requests in the four months, July through October 1945, were 238,000 against 239,000 in those four months of the 1944 fiscal year. Requests from the public showed about 25% increase in the two periods. Tabulation of reports on volume of requests for publications weighing more than four pounds was discontinued in the latter part of the fiscal year because prompt rendering of bills by the Post Office Department made it possible to check expenditures shortly after the end of each month. This released part of one employee's time for more productive work of filling requests for publications.

Printing Management: The number of printing requisitions and orders handled in 1945 totaled 3,975 a reduction from the 1944 total of 4,211, made by exercising more direct control in consolidating orders for forms and holding up these types of orders until old supplies were reduced to minimum working inventories. A total of 3,393 requisitions and orders were handled in 1943. Printers in the Office advised bureaus and agencies on technical matters while plans were being laid for printing and distributing necessary publications, particularly those made available in connection with special information programs. They were also required to perform more detailed work of negotiating with printers under contract with the Government Printing Office, as well as contract printers processing jobs under waiver.

Direct control was maintained on orders for letterheads to adhere to the paper conservation policy of using up letterheads made obsolete by changes in organization. A saving of \$14,212 alone, averaging \$1,185 per month, was made in handling all printing orders by changing paper stock and size, and by other technical changes in printing orders. Printing operations are kept in step with the progress in the forms management program of the Department, both to take advantage of improvements in forms printing which will result in printing economies, and as a measure of management in handling printing funds in keeping with bureau and program needs. Coordination between printing and distribution is maintained as a day-to-day function to keep jobs on which rapid deliveries must be made flowing smoothly through all the printing, packaging, transportation, and handling routines to places of final use.



Press Service: The intensity of Press Service activities for the past year continued, largely because of the great demand for information on food and feed not only by the press but by others as well. This service as the official outlet of the Department for statements to the press is called upon many times a day as a quick source of information on present as well as past actions and for checking expected announcements of current Department actions. Thus a great deal of verbal and written information was supplied both in person and by telephone to Department officials, to the press, and to other government agencies. For overall coverage, a "daily summary" of current and press reports continues in demand and is kept in use in order to minimize requests for all Department releases. This Department office also functions as the clearance agency for releases by other government agencies which in any way affect activities of the Department of Agriculture. From indications during the past year and recent months, requests for spot information on reconversion and post-war agricultural activities are as numerous as they were for war activities pertaining to food, feed, and fiber. Thus no immediate reduction may be anticipated in the volume of information requested.

Radio Service: Emphasis in radio activities was placed on (1) supplying farmers with information about farm production and Government programs to assist them in meeting current needs for food and fiber; (2) supplying homemakers with information to assist them in wise management of available food supplies and other home management problems; and (3) informing the general public on problems and progress in production and use of food and agricultural products.

On network programs, the Radio Service last year arranged and produced weekly a 16½-minute period on "Your Home and Garden." In addition, arrangements were made and material supplied for 104 network talks and interviews; 70 spot announcements of one and two minutes were prepared and furnished to three networks. The weekly half-hour National Farm and Home Hour program formerly broadcast Saturdays by the ABC network was replaced early in 1945 under mutual agreement by the half-hour weekly program, "Your Home and Garden," mentioned above, but in September the National Farm and Home Hour program was put back on the National Broadcasting network for one-half hour every Saturday. The Department participates regularly, presenting national food news, home and garden information, and research information. As a partial substitute for wartime cuts in radio network time supplied without cost to the Department, transcriptions carrying subjects focused on various angles of the food production program were distributed co-operatively with State extension editors to about 375 radio stations. Mechanical costs of producing these transcriptions were borne by the Department.

On individual station programs, radio departments of the press associations were regularly supplied with information for use by their client stations. Regular script service for farm and home broadcasts are maintained to State extension editors and individual stations for use in coordinated Federal-State broadcasts.



The letter to station farm directors giving current background information, which the directors may use at their own discretion to guide them in planning their services to farmers, has been continued as a current service. The Radio Service cooperates in a similar weekly letter to directors of women's programs. A five-day-a-week program called "Western Agriculture" was discontinued last year and a plan developed for the Department's western radio representative to give fuller service to extension editors and to western farm program directors on individual stations. This service includes the conducting of radio schools for extension and other agricultural workers using radio.

Motion Picture Service: Some work was done on 21 motion picture projects during the past fiscal year. Of these subjects, 7 were completed and released for distribution; 3 were completed and are awaiting release; 7 were scheduled for completion and released shortly after the end of the fiscal year; and work was continued on 2 over the year's end as subject matter was made available. In addition, the Motion Picture Service cooperated with agencies in production activities on 17 subjects and on the revision of 3. Of these, 6 new pictures were completed and released for distribution.

These motion pictures embraced a variety of subjects of interest to farmers and the public in general, such as the organization of farmer cooperatives to increase production through sound financing; the control of erosion and increase of soil productiveness through the organization of soil conservation districts; advice to veterans on pitfalls to avoid in taking up farming for a livelihood; better irrigation practices; training of forest fire fighters in fighting and control of forest fires; how to build up and maintain our forest resources depleted by war demands; how to increase the feed value of hay by 25 percent, thereby increasing our meat supply; how to feed livestock for greater production and how inspection insures a wholesome meat supply; how to manage our wild life resources so as to supplement our meat supply; how to cure meats, country style; how to preserve and conserve foods by freezing; what to eat of available foods for better nutrition and health; what to do and what not to do for productive Victory Gardens; better methods of food production and utilization to help relieve the food shortage and malnutrition in Puerto Rico; how to obtain more power with less labor through the use of electricity; and a plea for emergency farm labor to relieve the farm labor shortage and help harvest war-needed crops.

Exhibits Service: Aid to Department field workers in getting information before the rural public was continued through production of small portable exhibits produced in quantity. Also planning and considerable production work was completed on a large number of portable exhibits for use by the Rural Electrification Administration to portray the advantages of its Area Plan. Calls for special exhibits were met, usually through development of material which can be carried from place to place, on such subjects as conversion of surplus war materials to agricultural uses, safety in forest communication work, the Nation's food picture, and, among others, the illustrative elements were produced for a display designed to further the objectives of the

Third Inter-American Conference on Agriculture at Caracas, Venezuela. As time and resources have permitted, some existing exhibits have been reviewed and data assembled for bringing a number of them up to date factually, and preliminary work done to have material ready to meet demands when exhibits-at-fairs programs are resumed. Plans have been made for the development of new exhibits including a series on agricultural technology, presenting information concerning latest developments in farm machinery, livestock, and crop production methods, farm living, land use, and conservation of water in the West.

Special Information Programs: The Office of Information in the last year continued the work of coordinating the lead in advertising support for food programs in magazines, radio billboards, and carcards. In addition to obtaining advertising support, the Office of Information also arranged for extensive coverage in national media -- such as radio, press, magazines, and motion pictures -- sometimes directly and sometimes through the facilities of the Offices of Economic Stabilization and War Information. In the latter category, the Association of National Advertisers has reported that food programs are among the leaders in the amount of national media support obtained. The assistance of nearly 200 national organizations was enlisted in behalf of special food programs, some by the Office of Information directly and some through the cooperation of agencies of the Department. These citizens' organizations -- farm, labor, business, men's, women's, youth, religious, educational, etc. -- have sent countless messages on food programs to their membership and have undertaken many different kinds of information projects for the production, preservation, and wise use of food.

In addition to mobilizing this citizen support for special food programs this Office arranged program themes to be carried out through all the facilities of the agencies of the Department. This was done in various services which reached public communication media outlets directly and also by means of materials and information aids supplied to bureau field representatives and collaborators. In these different ways, the Office of Information has planned, coordinated, and supervised the following programs in the past fiscal year:

Food Fights for Freedom. The Office has spearheaded aids to the national effort to improve public understanding of the food situation, emphasizing the reasons why it is essential for citizens to take such actions as gardening, canning, volunteering for farm work, etc.

Farm Production. The work of Department agencies has been coordinated to provide to farmers the information needed to help them meet their production goals. Special programs were conducted on the 8-Point Dairy Program, Improving Cotton Grades, Seed Harvest and Conservation, Orderly Cattle Marketing, Farm Safety, and the farm phases of the national Fire Prevention Program.

Victory Gardens and Home Canning. Leadership has been given in planning and conducting, with the aid of Department agencies, particularly the Extension Service, and many outside groups, an intensive victory garden and home food preservation program.



Farm Labor. Assistance has been rendered the Extension Service in both national and local implementation of the Crop Corps program to recruit emergency farm workers. Informational assistance has also been extended the Office of Labor in its programs for interstate, foreign, and other special types of farm labor.

Nutrition. A great deal of national support has been obtained for the nutrition program, and the Office has worked with the Production and Marketing Administration and others in their efforts for nutritional education through nutrition committees and other ways of reaching the public locally.

Industrial Feeding, Forest Fires, and Fat Salvage. Limited assistance has been provided to special information programs on these subjects, although the major part of this activity has been conducted by offices formerly in the War Food Administration and by the Forest Service.

Economic Stabilization. An over-all program for economic stability was conducted jointly by a number of Government agencies, and the Office of Information has been carrying primary responsibility for the farm phase of that program, urging the building of financial reserves to meet post-war needs instead of such inflationary practices as going into debt to buy farm land at excessive prices. Phases of this last group of programs have been continued into the current fiscal year. In addition, it is anticipated that there may be special need to encourage the consumption of foods that are in relatively more abundant supply, at least seasonally or in some areas. It is anticipated that special program effort will be required in this and the next fiscal year for the new 7-Point Cotton Program to emphasize important ways of improving farming in the cotton areas, explanation of production efficiency methods, marketing of food surpluses, area marketing problems, nutrition, farm and woodlot management, economic stabilization in agriculture, and the need for sharing our food with liberated peoples. These activities will end at the close of the 1946 fiscal year with termination of the appropriation "Salaries and Expenses, War Food Administration", from which the funds for the activities were transferred.



(b) Printing and Binding

Appropriation Act, 1946 .....	\$1,000,000
Transfers, 1946, from other appropriations (shown in detail below) .....	<u>214,185</u>
Total available, 1946 .....	1,214,185
Budget estimate, 1947:	
Direct appropriation .....	\$1,145,000
Transfers, 1947, from other appropriations (shown in detail below) .....	<u>190,000</u>
Total available, Budget estimate, 1947 .....	1,335,000
Change for 1947 .....	<u>+120,815</u>

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
1. <u>Job Work and Binding:</u>				
(a) Binding .....	52,278	32,000	32,000	- -
(b) Emergency field printing .....	26,835	16,200	16,200	- -
(c) Job work .....	536,566	582,785	568,600	-14,185
(d) Letterheads .....	9,894	8,200	8,200	- -
Total .....	<u>625,573</u>	<u>639,185</u>	<u>625,000</u>	<u>-14,185 (1)</u>
2. <u>Reports, periodicals and other regulatory, service and administrative publications:</u>				
(a) Agriculture in the Americas .....	6,115	6,000	6,000	- -
(b) Agriculture Decisions .....	6,775	6,200	6,200	- -
(c) Agricultural Situation and Separates .....	17,546	12,000	12,000	- -
(d) Annual Reports .....	10,962	10,000	10,000	- -
(e) Administrative Series .....	1,646	1,600	1,600	- -
(f) Bibliography of Agriculture .....	10,124	10,000	10,000	- -
(g) Congressional Documents .....	8,478	7,000	7,000	- -
(h) Consumers Guide .....	26,736	19,000	17,500	-1,500
(i) Crops and Markets .....	10,700	10,000	10,000	- -
(j) Experiment Station Record .....	22,137	20,000	20,000	- -
(k) Extension Service Review .....	6,000	6,000	6,000	- -
(l) Farmers' Bulletin Lists .....	6,730	5,800	5,800	- -

PROJECT STATEMENT - Cont.

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
(m) Foreign Agriculture	3,020:	2,800:	2,800:	- -
(n) Fire Control Notes	- -:	500:	2,000:	+1,500
(o) Indexes	1,250:	2,100:	2,100:	- -
(p) Instructions and Administrative Reports	2,935:	2,200:	2,200:	- -
(q) Journal of Agricultural Research	4,369:	5,000:	5,000:	- -
(r) Land Policy Review	1,796:	1,800:	1,800:	- -
(s) Monthly List of Publications	1,879:	1,600:	1,600:	- -
(t) REA News	15,594:	11,000:	11,000:	- -
(u) REA News Separates	9,052:	9,000:	9,000:	- -
(v) Secretary's Regulations	1,328:	1,000:	1,000:	- -
(w) Service and Regulatory Announcements	4,475:	3,200:	3,200:	- -
(x) Soil Conservation Magazine	6,925:	7,200:	7,200:	- -
(y) Unnumbered Publications, Reports and Reprints	30,937:	7,000:	7,000:	- -
(z) U.S.D.A.	6,675:	7,000:	7,000:	- -
(aa) Yearbook	- -:	- -:	30,000:	+30,000
Total	224,184:	175,000:	205,000:	+30,000 (2)
3. <u>Research and technical bulletins, expenditures for printing:</u>				
(a) Bibliographical Bulletins	1,289:	1,200:	1,900:	+700
(b) Circulars - New and Reprints	10,108:	10,000:	11,000:	+1,000
(c) Commodity Statistics	1,698:	1,700:	1,700:	- -
(d) Experiment Station Bulletins and Reports	1,608:	1,700:	2,000:	+300
(e) Journal of Agricultural Research Separates	9,758:	10,000:	11,000:	+1,000
(f) Physical Land Surveys, Soil Conservation Service	729:	1,000:	2,000:	+1,000
(g) Reprints and Revisions, General	7,090:	2,000:	5,000:	+3,000
(h) Reprints of outside articles	4,054:	4,000:	4,000:	- -
(i) Soil Surveys	30,268:	31,000:	131,000:	+100,000
(j) Statistical Bulletins	3,154:	3,000:	5,000:	+2,000

PROJECT STATEMENT - Cont.

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
(k) Technical Bulletins -				
New and Reprints ...	15,991	17,000	21,000	+4,000
(l) Statistical Report (prepared by Yearbook Committee) .....	16,098	16,000	18,000	+2,000
(m) Statistical Separ- ates from Statistical Report .....	1,582	1,400	1,400	- -
Total .....	103,427	100,000	215,000	+115,000 (3)
4. <u>Farmers' Bulletins, and</u>				
<u>other popular publica-</u>				
<u>tions, expenditures for</u>				
<u>printing:</u>				
(a) Agricultural Infor- mation Series .....	19,498	55,000	55,000	- -
(b) A.W.I. Series (Re- prints only in 1946) ..	59,406	10,000	- -	-10,000
(c) A.A.A. Publications ..	1,300	2,500	2,500	- -
(d) B.A.E.-Extension Fliers .....	- -	100	100	- -
(e) Farmers' Bulletins, New .....	38,878	35,000	45,000	+10,000
(f) Farmers' Bulletins, Reprints and Re- visions .....	50,299	69,000	69,000	- -
(g) Farmer and the War. :	392	- -	- -	- -
(h) Leaflets, New .....	3,736	2,300	2,300	- -
(i) Leaflets, Reprints, etc.:	3,098	2,000	2,000	- -
(j) Miscellaneous Publications - New and Reprints .....	62,401	56,200	56,200	- -
(k) Posters .....	65,633	63,000	53,000	-10,000
(l) R.E.A. Publications :	3,625	3,900	3,900	- -
(m) Yearbook Separates. :	- -	1,000	1,000	- -
Total .....	308,266	300,000	290,000	-10,000 (1)
Total obligations, printing and binding .....	1,261,450	1,214,185	1,335,000	+120,815
Unobligated balance .....	112,550	- -	- -	- -
Total available .....	1,374,000	1,214,185	1,335,000	+120,815
Transfers in 1947 estimates from:				
"Exportation and domestic consumption of agricul- tural commodities" .....	-175,000	-175,000	-175,000	
"Conservation and use of agricultural land re- sources" .....	-14,000	-15,000	-15,000	
"Salaries and expenses, War Food Administration"	-85,000	-24,185	- -	
Total estimate or appropriation .....	1,100,000	1,000,000	1,145,000	



## INCREASES AND DECREASES

The net increase of \$120,815 in total available funds in 1947 consists of:

(1) Decreases totaling \$24,185 under projects 1 and 4 due to the eliminating from the estimates for 1947, the funds transferred in 1946 from the appropriation "Salaries and expenses, War Food Administration, Department of Agriculture".

(2) An increase of \$30,000 in project 2 for composition costs and the 15,000 copies of the Agriculture Yearbook authorized for the Department.

In the 1943 Legislative Appropriation Act, the Congress adopted the policy of deferring publication of the Yearbook for the duration of the war. As a result of the funds provided in the 1946 Agricultural Appropriation Act for planning a new Yearbook of Agriculture, it is anticipated that a completed Yearbook will be available for printing in the fiscal year 1947.

(3) An increase of \$115,000 in project 3 to print an increased number of Soil Surveys, and to publish the most important of the backlog of technical publications as explained more fully below.

Objective: To secure the printing of publications, forms and other material necessary for the operation of programs for which the Department is responsible for use by farmers, Department and collaborating agricultural workers, scientists and other elements of the general public.

Problem and Necessity: The printing of many proposed Department publications, including Soil Surveys and technical publications, was deferred during the war years to save paper and to publish materials essential to the war effort. Publications of Soil Surveys was progressively reduced in the war years, resulting in a present backlog of a large number of completed surveys. Manuscripts and maps of completed soil surveys are expected to be made ready for publication at a rate approximating 400 percent of that in 1945 and 1946. The printing of these surveys will require approximately \$100,000. Similarly, the printing of many technical and research publications on important agricultural subjects has been deferred, and an increase of \$15,000 is proposed for the printing of the most important ones. Examples of these publications are: First Aid for the Irrigator; The Lily Weevil, a Potentially Serious Pest in the Pacific Northwest; Fundamentals of Animal Breeding; Taming Our Forests; Educational Exhibits; Manual for Extension Workers; Thermal Treatments for the Control of Bulb Pests in the Northeastern States; Our Western Land; The Use of Hydrocyanic Acid Gas for the Control of Bulb Flies of Narcissus.

## CHANGE IN LANGUAGE

It is proposed to delete the following language which authorizes the transfer of funds to this appropriation item from the appropriation

"Salaries and expenses, War Food Administration" since no estimate therefor is contained in the Budget for 1947:

\* \* \* [, and from funds appropriated for "Salaries and expenses, War Food Administration", such sums as may be necessary for printing and binding in connection with functions assigned to the Office of Information by the War Food Administration] \* \* \*

(See next page)





WORK UNDER THIS APPROPRIATION

Objective: To purchase annually for the Department the wide variety of printed forms, schedules, certificates, and administrative materials indispensable to the operation of the agricultural programs for which the Department is responsible; to secure the printing necessary to make available to farmers information for gearing in their operations with established national agricultural policies; to make available to the public generally essential information on agriculture; to keep Department staff workers and collaborators in Washington and in the field advised of agricultural program developments; to make known the results of research conducted in Department laboratories and field experiment stations.

The Necessity: Agricultural programs administered by the Department require annually a large number of operating forms and printed publications. Responsibility is centralized in the Office of Information for securing the maximum benefit from printing funds, and for procuring promptly and in sufficient quantities from the Government Printing Office or from commercial sources, when necessary, forms and printed matter indispensable to program and day-to-day work; by so controlling and planning the printing expenditures, it is possible for all types of printing requirements to be met to a maximum extent and to effect economies in appropriated funds by consolidating printing orders.

Progress and Current Activities: Necessary printing requirements of the Department were met with reduced funds, and in the face of increases in unit printing costs, by effecting further savings in consolidating orders, encouraging use of obsolete forms and paper, and by control of requests for publications printing. Some orders were deferred near the end of the fiscal year to avoid rapid obsolescence that might result from Department reorganization. Special arrangements were made to check the number of copies of forms and letterheads ordered against existing stocks, to hold shelf stocks down to absolute minimum needs. All orders for letterheads with other than the Department and bureau names were approved only where it was evident that special headings did not involve use of additional paper supplies. Similarly requests for memorandum forms were approved where paper stock used would come from obsolete forms or letterheads. To restore stocks of forms and letterheads to normal working requirements it will be necessary to use a larger proportion of total printing funds for this purpose.

Curtailments in the printing of reports and periodicals were maintained in spite of increased printing costs by holding down the size and number of reports, by editorial adaptations and format changes, and by continuous review of mailing list changes. Increases in the dollar limitations authorized by the Bureau of the Budget were made necessary because of increase in unit printing costs, for some periodicals and journals such as Soil Conservation magazine and Journal of Agriculture Research. No changes were made, however, in the size, number of pages, or number of copies.

The backlog of research, technical, and miscellaneous publications increased during the fiscal year 1945 and in this fiscal year, as lack of funds prevented their publication or wartime conditions required that their release be deferred. Plans of distribution for all publications approved for printing were reviewed to make sure that number of copies ordered were based on allowable requests or defined indications of use. Following are examples of the publications issued:

Use of Fertilizer in Cotton Production  
 Making Velva Fruit at Home  
 Cooking with Dried Eggs  
 What to do When the Veteran Returns to His Job in the  
 Department of Agriculture  
 A War Job in Your Own Home  
 Freezing Injury of Fruits and Vegetables  
 Composition of Nutritive Value of Pork as Related to Weights  
 of Animals and Cuts  
 Part-time Farming  
 Poison Ivy, Poison Oak, and Poison Sumac - Identification,  
 Precautions, Eradication  
 Cattle Grub Control  
 Cooking Dehydrated Vegetables  
 How Much Fertilizer Shall I Use  
 Soil Treatment - An Aid to Termite Control  
 Packaging American Cotton and Methods for Improvement  
 4-H in War and Peace  
 Little Leaf Disease of Pine  
 Discussion Leaflet on Timber Supplies  
 Carpet and Rug Repair  
 Dairy Herd Improvement Associations

In the current fiscal year a further increase of approximately 15 per cent in unit printing costs will require a further decrease in the amount of printing for the Department. The decrease will be effected by still more economies in printing of forms and schedules, and by deferring printing of more proposed publications.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS  
 (1945 and 1946 figures include overtime costs)

Project	Obligations, 1945	Estimated obligations, 1946	Estimated obligations, 1947
Supply and Distribution of			
Farm Labor: For informa-			
tional services for the			
Office of Labor, War Food			
Administration 1/ .....	\$9,065:	\$6,750:	- -

1/ Appropriation made on a calendar-year basis, in a separate act. Present law provides funds for calendar year 1946, which extends through first half of fiscal year 1947. However, no detailed breakdown is shown in 1947 column of Budget.

PENALTY MAIL ESTIMATE  
Sec. 2, Public Law 364, 78th Congress  
(Allotment to Office of Information)

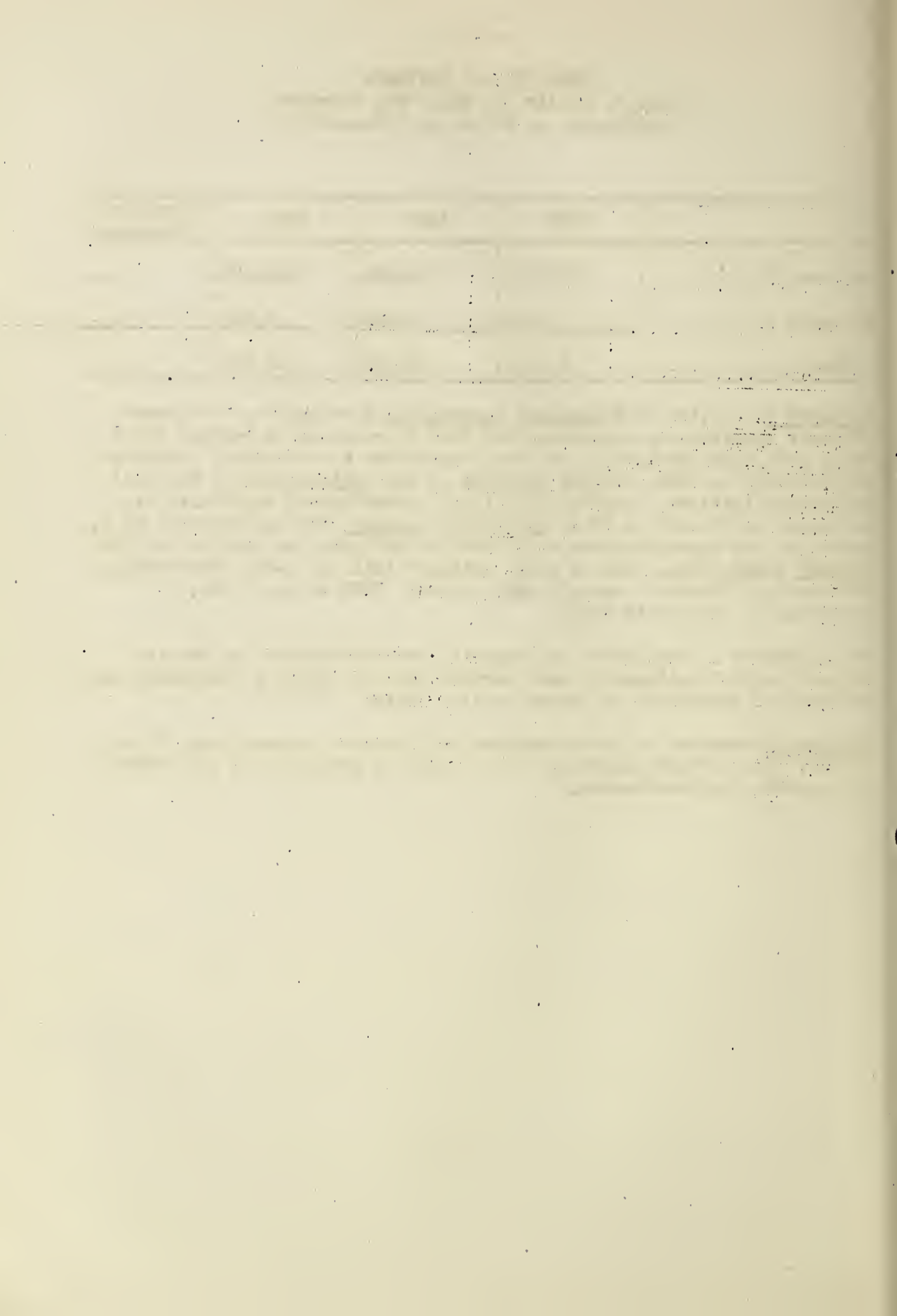
	1945	1946	1947	Increase or decrease
Category 1 .....	\$61,635:	\$58,500:	\$58,500:	- -
Category 2 .....	1,500:	1,500:	1,500:	- -
Total .....	63,135:	60,000:	60,000:	- -

Category 1 consists of Department periodicals sent only to addressees who have specifically requested that they be retained on mailing lists which have been circularized to keep the number to a minimum, estimated at 2,000,000 in 1946; initial mailings of new publications of Farmers' Bulletins, leaflets, research bulletins, miscellaneous circulars, etc., estimated at 600,000 in 1946; individual requests for publications to be mailed by the Superintendent of Documents, estimated at 500,000 in 1946; current information, such as radio editors' letters, radio farm flashes, information letters to women's page editors, USDA summary, etc., estimated at 800,000 in 1946.

Some increase in the number of requests for publications and the increased initial mailings of soil surveys will be offset by continued curtailment of periodical and other mailing lists.

Category 2 consists of correspondence and business transactions of the Office, form letters regarding availability of publications and replies to requests for information.





LIBRARY, DEPARTMENT OF AGRICULTURE

(a) Salaries and Expenses

Appropriation Act, 1946 .....	\$467,900
Transfer, 1946 from Commodity Credit Corporation .....	+872
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945 (actual additional required, \$89,000; offset in part by an estimated saving of \$5,000 for bulk mailing costs under Section 3, Public Law 364, 78th Congress) .....	+84,000
Total anticipated available, 1946 .....	<u>552,772</u>
Budget estimate, 1947:	
Direct appropriation .....	\$552,000
Transfer in 1947 from Commodity Credit Corporation .....	+850
Total available, Budget estimated, 1947 .....	<u>552,850</u>
Change for 1947:	
Overtime decrease .....	-11,811
Increase .....	<u>+ 11,889</u>
	<u>+78</u>

PROJECT STATEMENT

Project	: 1945	: 1946	: 1947	: Increase or
	: (estimated)	: (estimated)	: (estimated)	: decrease
1. General administration ...	\$40,877	\$46,029	\$46,375	+\$346 (1)
2. Acquisition of publications and preparation for use and distribution .....	120,261	162,592	171,899	+9,307 (2)
3. Bibliographical services .	94,339	103,286	104,054	+768 (1)
4. Reading and reference services .....	75,696	103,391	104,009	+618 (1)
5. Field library services ...	128,918	125,663	126,513	+850 (1)
6. Overtime pay .....	84,922	11,811	- -	-11,811
Covered into Treasury as miscellaneous receipts, Public Law 529 .....	8	- -	- -	- -
Unobligated balance .....	5,900	- -	- -	- -
Total available .....	<u>550,921</u>	<u>552,772</u>	<u>552,850</u>	<u>+78</u>
Received by transfer from Commodity Credit Corpora- tion .....	-750	-872	-850	
Anticipated supplemental ....	- -	-84,000	- -	
Total estimate or appropriation .....	<u>550,171</u>	<u>467,900</u>	<u>552,000</u>	

# INCREASES OR DECREASES

The net increase of \$78 in this item for 1947 consists of \$11,811 decrease for overtime, and the following:

(1) Increases totaling \$2,582, under Projects 1, 3, 4 and 5 as shown on the project statement, for placing on a full-year basis in 1947, within-grade salary advancements which are estimated to be in effect for only part of the fiscal year 1946.

(2) An increase of \$9,307 under Project 2, composed of (a) an increase of \$707 for the same purpose as stated under (1) immediately above, and (b) an increase of \$8,600 to provide for resumption of purchases of foreign published materials in the field of agriculture which were not available during the war.

A further acceleration in the program of procurement is needed in order to remain current in acquiring foreign publications in the field of agriculture. Foreign sources of published material closed because of the war have now been opened. These sources represent a wealth of material which should be in the collection of the National Library of Agriculture. In addition to acquiring currently published material it is desirable to fill in gaps in the Library collection of foreign periodicals and serial publications which occurred during the war years.

The acquisition of publications, and their preparation for use and distribution is one of the most important functions of the Library. It is here that all books, periodicals and other materials needed by the Library for the Department are acquired by gift, exchange, or purchase, and prepared for use and distribution.

During the fiscal year 1945, 36,670 titles were acquired as compared with 30,939 in 1944. This 18-1/2 percent increase is indicative of the progressively larger amount of agricultural material being published and which the Department Library, serving as the National Library of Agriculture, is expected to acquire.

## CHANGES IN LANGUAGE

The estimates include proposed changes in the language of this item as follows (new language underscored; deleted matter enclosed with brackets):

Salaries and expenses: For purchase and exchange of reference books, lawbooks, technical and scientific books, periodicals, and for expenses incurred in completing imperfect series; not to exceed \$1,200 for newspapers; [for] dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; [for] salaries in the city of Washington and elsewhere; [for official] travel expenses, and [for] library fixtures, library cards, supplies, and [for] all other necessary expenses, [\$467,900] \$552,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the Budget



for the current fiscal year, for such salaries and expenses, which several amounts or portions thereof, as may be determined by the Secretary, not exceeding a total of [\$750] \$850, shall be transferred to and made a part of this appropriation, of which total appropriation not to exceed [\$306,433] \$381,640 may expended for personal services in the District of Columbia: Provided, however, That if the total amounts of such appropriations or authorizations for the current fiscal year shall at any time exceed or fall below the amounts estimated, respectively, therefor in the Budget for such year, the amounts transferred or to be transferred therefrom to this appropriation and the amount which may be expended for personal service in the District of Columbia shall be increased or decreased in such amounts as [the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine] are appropriate to the requirements as changed by such reductions or increases in such appropriations or authorizations.

The first five changes propose the deletion of the words "for" and "for official", as indicated above, since they are unnecessary and their deletion will simplify the wording of the item.

The sixth change proposes the deletion of the clause, "the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine," contained in the proviso in the 1946 Appropriation Act authorizing transfers from other appropriations or authorizations as shown in the Budget schedules. The language proposed to be deleted imposes on the Budget Director the responsibility for adjusting the amount to be transferred whenever the amount of the appropriation or authorization from which the transfer is to be made differs from the amount of such item as estimated for in the Budget.

The language in question has been examined pursuant to a letter of last March from the Chairman of the House Appropriations Committee to the Director of the Budget on the subject of legislative provisions in appropriation bills. It appears that that portion of the proviso which authorizes the Budget Director to determine the amount of the transfer under certain circumstances may be legislative in character and, therefore, presumptively subject to a point of order, since it imposes additional responsibilities on him. Its deletion from the 1947 Bill is therefore proposed. Should the proposal be approved, it would be the intent of the Department to continue to consult with the Budget Bureau on such transfers.

## WORK UNDER THIS APPROPRIATION

Objective: The purpose of the National Agricultural Library is to provide aid in the formulation and execution of agricultural programs by providing for the collection, organization and use of the information contained in agricultural literature.

Significance and Necessity: Effective library service helps to avoid duplication of research as well as costly mistakes by bringing the wealth of experience and judgment contained in agricultural literature to bear on problems in the fields of research, agricultural production and distribution, economics, and administration. The acquiring of agricultural, scientific, technical and economic publications and the application of bibliothecal techniques to this material so that it is readily available for use by the staff of the Department is a necessary adjunct to the general work of the Department. The effectiveness of the Library is achieved by the proper organization of the material in the collection by classifying, cataloging and indexing in general indexes as well as the preparation of bibliographies covering many subjects. The effectiveness of the Library is further extended to field as well as departmental employees by coordinating and extending existing resources by means of inter-library loans and the photoduplicating service.

The Department of Agriculture Library is the only Federal library service in this field and the country's principal source of agricultural literature.

General Plan: Through a central library in Washington and nine branches, 14 subbranches and 11 stations throughout the country, the Library serves the staff of the entire Department. Its services are also made available to public and private agencies and to individuals interested in agriculture. The Library aids in the research and operating programs by providing library services so that such activities can be carried out without wasteful duplication of effort and unnecessary repetition. Through a specialized and intensive bibliographical service the Library also makes available to the men in the field the content of literature received, and provides special library research frequently needed as a basis for sound decisions.

Progress and Current Activities: Examples of activities and recent accomplishments under the appropriation are cited by projects.

General Administration: The planning, the over-all administrative work and the supervision of the component parts of the Library from the administrative, bibliothecal and Departmental points of view are included under this project. Over-all examinations and evaluations of the library service throughout the Department are made frequently to assure effective service. Continued attention is directed toward streamlining routines in order to eliminate any waste of manpower.

Acquisition of publications and preparation for use and distribution: The Library selects and orders published material for the Library proper and for Department staff members in Washington and the field. All material acquired by purchase, gift and exchange must be classified, cataloged and shelved for the main library and the field branches.



The inventorying of the published material belonging to the Department both in Washington and the field is one of the important responsibilities under this project. Upon completion, this inventory will add to the list of publications available to the staff of the Department and the cooperating agencies thousands of books not formerly available. The establishment of functional lines of effort, of objective standards of work and of training methods to meet work requirements fully have resulted in increased efficiency. Further improvements to eliminate any duplication of effort and nonessential records or procedures will continue to be stressed.

Bibliographical services: The responsibility for all bibliographic work of the Department is centralized under this project. The major undertaking is the Bibliography of Agriculture which, introduced in its new form in June 1943, indexes all of the literature received in the Library each month regardless of the form of the publication or the language in which it may be written. The growth of this activity is indicated by the fact that in the fiscal year 1945 there were 55,761 items recorded as compared with 50,530 in the fiscal year 1944. In the past, all of the abstracting and indexing journals together covered only a small fraction of the periodical publications received in the Library. These journals frequently lagged from six months to several years behind the date of the publication of the articles indexed. In addition to the month-by-month listing of the Bibliography of Agriculture, the Library issued subject bibliographies covering longer periods of time and limited to special fields. 237 such bibliographies were compiled during fiscal year 1945 and some were published in the Department's Bibliographical Bulletin series.

The photo-duplication section, which supplies copies of material contained in the Library on either photo-prints or microfilm, prepared nearly three quarters of a million pages of material in the past year. Streamlining of technical routines in order to free the greatest possible amount of time for the more important problems received sustained attention. Although the staff has remained the same, the amount of work has increased considerably.

Reading and reference services: Work under this project embraces all direct services to Library users in Washington. In addition to answering reference questions and providing for the circulation of material, there is the work of obtaining books from the shelves, shelving them, aiding people in the use of catalog and reference tools.

Reference work has increased each year. In fiscal year 1945, 108,594 questions were answered as compared to 100,291 in 1944 and 68,454 in 1943. Total circulation of publications in Washington rose from 329,261 in fiscal year 1944 to 415,572 in 1945. The total circulation figure for Washington and the field in fiscal year 1945 was 1,659,602 as compared to 473,229 in 1941, the year in which the consolidation of the several bureau libraries took place. The number of publications used in the reading room rose from 77,163 in fiscal year 1944 to 99,719 in 1945.

Continued efforts to raise the quality of service and efficiency of operation has resulted in an increase of 55 percent in the number of volumes of periodicals bound.



Field library services: Increased library service to the three fourths of the Department staff located in the field has been the dominant note since the establishment of this activity. Progressively greater use has been made of these facilities during the four years of its existence as indicated by a continuing upward trend in circulation and reference questions answered. The circulation rose from 976,069 in fiscal year 1944 to 1,246,721 in 1945, an increase of 28 percent while reference questions rose from 81,557 in 1944 to 87,470 in 1945.

The following tabulation shows comparative data for some of the major phases of activities in the Library:

	Fiscal Year		
	1943	1944	1945
<u>Classifying and Cataloging</u>			
New titles cataloged and classified	7,264	13,937	12,679
New cards added to the library catalogs .....	a/b/115,000	b/ 86,747	b/ 93,901
<u>Circulation</u>			
Loans made or reproductions supplied	b/1,038,352	b/1,304,799	b/1,682,182
Number of reference questions answered .....	b/ 129,110	b/ 190,459	b/ 196,064
<u>Periodicals and Binding</u>			
Number of periodicals and serials currently received .....	12,872	12,062	11,564
Number of volumes bound .....	5,669	5,236	9,544
<u>Obligations for Purchase of Publications</u>			
Publications, including books, periodicals, serials, etc. ....	\$46,784	\$43,939	\$44,875

a/ An unusually large number of cards added to field library catalogs.

b/ Includes field service.

PENALTY MAIL ESTIMATE  
Section 2, Public Law 364, 78th Congress  
(Allotment to Department Library)

	:	:	:	:
	1945	1946	1947	Increase (+) or Decrease (-) 1947 over 1946
Category 1	272	281	281	- -
Category 2	2,175	2,270	2,270	- -
Total	2,447	2,551	2,551	- -

Category 1 consists of the Bibliography of Agriculture and various other bibliographical bulletins, library lists, etc., furnished to technicians and research workers of the Department, depository libraries, and others who have specifically requested these publications to enable them to keep abreast of the material which has been written in their respective subject-matter fields.

Category 2 consists of correspondence required in connection with answering requests for information on publications filed in the Library and in connection with the loan and exchange of publications with other libraries. Included also is the administrative correspondence necessary in the acquisition of new publications and for carrying on the business of the twenty-three branch and sub-branch libraries.

# 1. General Information 2. Project Description 3. Objectives 4. Methodology 5. Results 6. Conclusions 7. References 8. Appendices 9. Tables 10. Figures 11. Other

1. General Information	2. Project Description	3. Objectives	4. Methodology	5. Results	6. Conclusions	7. References	8. Appendices	9. Tables	10. Figures	11. Other

The purpose of this study is to investigate the effects of the independent variable on the dependent variable. The study was conducted using a quantitative research design. The data was collected through a series of experiments and analyzed using statistical methods. The results of the study indicate that there is a significant positive correlation between the independent variable and the dependent variable. This finding is consistent with previous research in this area. The study has several limitations, including a small sample size and a lack of control over some external factors. Further research is needed to confirm these findings and explore the underlying mechanisms.

The study was conducted in a laboratory setting. The independent variable was manipulated using a series of controlled conditions. The dependent variable was measured using a standardized scale. The data was collected over a period of six weeks. The results of the study are presented in the following tables and figures. The study has several limitations, including a small sample size and a lack of control over some external factors. Further research is needed to confirm these findings and explore the underlying mechanisms.



BUREAU OF AGRICULTURAL ECONOMICS

(a) Salaries and Expenses - Preamble

CHANGES IN LANGUAGE

The estimates include proposed changes in the language of this item as follows (new language underscored, deleted matter enclosed with brackets):

For [the employment of persons and means in the District of Columbia and elsewhere, either independently or in cooperation with public agencies or organizations] necessary expenses, including not to exceed [\$1,888,589] \$2,185,550 for personal services in the District of Columbia, of the Bureau of Agricultural Economics, including the salary of Chief of Bureau at \$10,000 per annum, and not to exceed \$1,000 for the purchase of books of reference, periodicals, and newspapers, as follows:

The first change proposes the deletion of language for which substitute language is inserted later in the text, as explained below, and also proposes deletion of the language contained in the preamble of the appropriation in the 1946 Agricultural Appropriation Act relating to cooperation in effectuating the purposes for which the appropriation was made.

The sole purpose of the proposed deletion of the cooperation language from the preamble is to shorten and simplify the item. The phrase proposed for deletion is considered surplusage and, therefore, need not be retained in the annual appropriation act, the cooperative work being authorized by the Act of May 15, 1862 (5 U. S. C. 511), establishing the Department of Agriculture, as further implemented by the Act of July 24, 1919 (5 U. S. C. 563-564). Elimination of the language from the annual appropriation act will not--in any way--change the scope or character of the work performed under this appropriation, or the authority of the Department to cooperate with other agencies, institutions, organizations, or others in the conduct of such work.

The second change in language is to shorten, simplify, and standardize the language by inserting the words "necessary expenses of the Bureau of Agricultural Economics" in lieu of the present reference to "the employment of persons and means in the District of Columbia and elsewhere".

(b) Economic Investigations

Appropriation Act, 1946 .....	\$2,110,000
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945.....	+310,000
Transfers, 1946, from other appropriations (as shown in detail below) .....	+139,200
Total anticipated available, 1946 .....	2,559,200
Budget estimate, 1947:	
Direct appropriation .....	\$2,409,000
Transfer to be available in 1947 .....	
from Commodity Credit Corporation ..	+71,150
Total available, Budget estimate, 1947 .....	2,480,150
Change for 1947:	
Overtime decrease .....	-44,593
Other decrease .....	-34,457
	<u>-79,050</u>

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
1. Economics of production .....	\$1,004,130	\$1,173,340	\$1,238,883	+\$ 65,543 (1)
2. Prices, income and marketing .....	534,161	597,000	647,000	+50,000 (2)
3. Farm population and manpower .....	344,972	384,000	334,000	-50,000 (3)
4. Program analysis and service .....	316,367	360,267	260,267	-100,000 (4)
5. Overtime pay .....	334,752	44,593	- -	-44,593
Covered into Treasury as miscellaneous receipts, Public Law 529 .....	840	- -	- -	- -
Unobligated balance .....	43,266	- -	- -	
Total available .....	2,618,488	2,559,200	2,480,150	-79,050
Transferred to "Salaries and expenses, Office of Information, Department of Agriculture" .....	+2,125	- -	- -	
Received by transfer from: "Salaries and expenses, War Food Administration, Department of Agriculture" .....	-130,000	-66,700	- -	
Commodity Credit Corporation .....	-62,933	-72,500	-71,150	
Salaries and expenses, Federal Farm Mortgage Corporation .....	-52,444	- -	- -	
Anticipated supplemental .....	- -	-310,000	- -	
Total estimate or appropriation .....	2,375,236	2,110,000	2,409,000	

INCREASES OR DECREASES

The decrease of \$79,050 in this item for 1947 consists of the \$44,593 decrease for overtime, and the following:

A decrease of \$65,500 in funds available in 1946 by transfer from the appropriation "Salaries and expenses, War Food Administration", the War Food appropriation being eliminated from the 1947 Budget.

An increase of \$10,000 for economic research on the development of an agricultural production program for Alaska.



An increase of \$21,043 for placing on a full-year basis in 1947, within grade salary advancements which are estimated to be in effect for only a part of the fiscal year 1946.

It is proposed to adjust the distribution of the funds remaining under this appropriation item, as shown in the "Increase and Decrease" column of the project statement, to provide for changes in the work program as explained below.

(1) Project 1. Economics of Production. The increase of \$65,543 will be used as follows:

(a) \$10,000 for economic analysis of farming possibilities in Alaska:

Objective: To analyze the economic opportunities for increasing farm production and the number of farms in Alaska by studying, on the ground, the experiences of present settlers, and experiment station results from crop and livestock production experiments, in order to provide needed information to prospective settlers in Alaska.

Problem and Significance: No adequate economic analysis of farming possibilities has ever been undertaken in Alaska. In this vast territory there are several areas where settlers have been engaged in farming over a period of years. Their experiences, as well as experiment station results, need to be analyzed to determine; (1) the opportunities for increasing farm production in the Territory, (2) the returns from farming that may be expected by prospective settlers, and (3) the ways by which farm income can be increased.

Although the Territory of Alaska is now sparsely settled, and the farmers now in the area produce only a small percentage of the total food consumed there, a study of farm development possibilities should be undertaken as quickly as possible in order to guide the further settlement and agricultural development that should accompany industrial, mining, forestry, and fishing developments. There is immediate need for the results of such a study to appraise the farm development possibilities in the postwar period. Veterans who were stationed in Alaska during the war, and perhaps many who have been stationed elsewhere will be interested in the farming opportunities in this undeveloped territory.

Plan of Work: The work undertaken under this proposed increase would be of a reconnaissance nature. It would be confined to the areas in Alaska that seem to offer the best prospects for new settlement. Farm management data would be obtained from farmers and other persons connected with Alaskan agriculture. Information would be obtained on farming experiences and farming possibilities in the areas under study. Since no previous economic data are available on farming results in the territory it will be necessary to organize this work in a way that provides an objective sample of farming experiences, and an adequate analysis of potentialities in undeveloped areas. In the area selected for study, information would be obtained from farmers on their crop and livestock systems, the crop yields and livestock production, and production expenses and gross and net incomes obtained from farming and from other



employment. This work would be undertaken in close cooperation with companion studies of soils and crop and livestock production; and the results of these technical studies used in farm management analyses of economic opportunities in farming.

(b) \$20,000 for further development and maintenance of annual balance sheets on the financial structure of agriculture:

Objective: To develop more adequate data and maintain annual balance sheets on the financial structure of agriculture. One object of the study is to ascertain the financial effects of over-all agricultural policies on the different regions, and types of farms and farmers. A second object is to determine the relative effectiveness of different sized farms and types of farming under the conditions prevailing at the time.

The Problem: As a consequence of war maladjustments farm income will likely fall in certain segments of agriculture during the next few years. Financial distress among some farmers may be the result. Information will be needed by legislators and administrators to determine the financial repercussions of falling farm income. Information is needed on the number of farmers who will be unable to meet their financial obligations if income drops to certain levels; how much will such deficiencies amount to; and what type of farms and what areas are likely to be affected, and other data needed in bringing about proper readjustments in farm enterprises.

Plan of Work: This project will undertake the study of changes taking place in the postwar years in the financial conditions of farm enterprise stratified by regions, by size of farms, by type of farming, and farmers. The information when compiled will be in the form of annual consolidated balance sheets for each group or class studied. It will emphasize the trends in farmers' assets, liabilities and net worth and the factors that account for differences among the various groups studied. Part of the necessary information for this study can be drawn from studies now being carried on by State college staffs in cooperation with this Bureau. The Bureau has published extensive data for the country as a whole but refinement and amplification of the data are necessary in order to meet farmers' problems.

(c) \$35,543 to investigate the economic effects of increased mechanization and increased use of fertilizer and lime:

Objective: To determine the economic effects of the two most important and recent technological developments affecting current farming practices, namely, (1) increased mechanization, and (2) increased use of fertilizer and lime.

Problem and its Significance: Analysis is needed of the economic effects of the two most important improved practices that are receiving accelerated adoptions in the current period of transition to peacetime agriculture. Farmers need guidance in determining how far it will pay

them to go in adopting mechanical power and associated equipment, and in increasing the use of fertilizer and lime. These problems need to be analyzed both by products, and by areas in order to furnish guidance that will be locally applicable. Such guidance is needed especially by operators of smaller farms.

Gross production of farm products has increased one-fourth above the immediate prewar period under conditions of limited supplies of labor, machinery, and fertilizer. Despite these limitations, the use of commercial fertilizer in 1945 was 95 percent above the 1935-39 level. Wider use of fertilizer and lime probably holds more promise of increasing crop yields than any other improved practice. For example, a ton of ground limestone and 180 pounds of triple phosphate per acre applied on pastures in West Virginia increased forage production 57 percent and increased the protein content of the forage more than 40 percent.

If the number of tractors on farms is increased only in proportion to the prospective decrease in the number of horses and mules we will have approximately 600 thousand more tractors in 1950 than in 1944. This increase will release about 6,500,000 acres of cropland for other uses than feed for work stock. The effect of timeliness of operations on yield per acre when tractor power is used may be even more important than the release of cropland. The adaptability of the mechanical cotton picker for different cotton areas and its potential effects on farming in the South and on the entire national economy needs to be studied. Widespread adoption may have significant repercussions on major segments of the national economy.

Analysis of the probable effect of these practices as they relate to acreage, number of farms, number of farm workers, and extent of their adoption that would pay most under different economic assumptions, will be important as a service to farmers, representatives of educational and action agencies, and as an aid in the formulation of public policies affecting agriculture.

Plan of Work: It is planned to cooperate with Agricultural Experiment Stations and with the Agricultural Research Administration in the study of fertilizer and lime applications for different production areas and in the study of mechanization in areas where the most important changes are taking place. In view of the immediate importance both of mechanization and the use of lime and fertilizer in that region, this work will be started in the Southern States and expanded to other regions as time and funds permit.

(2) Project 2. Prices, income and marketing: The increase of \$50,000 will be used as follows:

(a) \$30,000 for collecting and analyzing data on farm family income and expenditures:



Objective: To secure income and expenditure data needed in dealing with post-war problems.

Problem and its Significance: Over-all estimates of the total income of farmers in the United States and in the various States such as the Bureau now provides are inadequate for measuring changes in a major transition period. A rise in total farm income is distributed very unevenly among different groups of farmers and a decline in total income involves a more drastic cut for certain groups than for others. In order to measure the impact of the war and of the reconversion period on the farm population, it is essential to collect and analyze data on the cash receipts, expenditures, and net income of representative groups of farmers throughout the country, matched by similar data for sample groups of nonfarm families. These data will provide the basis for comparisons between the proportions of farm and nonfarm families falling in different income groups in different years and thereby make it possible to measure the effects of reconversion policies on the various population groups.

Comparisons of the distribution by size of income of farm and nonfarm families are necessary in order to develop new and better measures of parity that will be generally accepted as applicable to post-war conditions. New parity measures require also the collection and analysis of data on the spending patterns--the amounts spent on food, clothing, medical care, etc.--for different income groups of farmers and city people, on the amounts and proportions of income saved and on the relative costs of providing equivalent opportunities for farm and nonfarm families in different geographic regions. From such current data, we can build up-to-date measures of parity income which can be used to replace the much criticized measures now used.

Plan of Work: Data will be gathered by mailed questionnaires and by personal interviews and more analytical work will be conducted to assist farmers to apply the results to current and future farming problems.

(b) \$20,000 to investigate post-war markets for new foods, such as frozen products, and to provide data on new developments in the frozen and dehydrated food industries:

Problem and its Significance: There is evidence that the marketing of agricultural products is on the verge of a revolutionary adjustment to modern technological processes which were greatly accelerated by the war. These developments may have repercussions on agricultural marketing, and therefore upon agriculture, comparable in importance with those which followed the introduction of artificial refrigeration and the refrigerator car.

In such a transition period readjustments by farmers and marketing agencies will be more difficult, and realization of the potential advantages of the new methods will be delayed, because of lack of adequate factual information and analyses. Much new equipment to be installed in the next few years will quickly become obsolete if these developments are not properly anticipated.



In addition to these problems raised by prospective technological changes, the wartime increase in food production will entail many adjustments in the immediate postwar period, even if domestic consumer purchasing power and foreign trade are maintained at high levels. Many of these adjustments will require attention, both private and governmental, within the marketing system. Action programs in marketing, such as supporting agricultural prices, finding new markets to replace wartime requirements, and diverting products from one channel to another, should be based as far as possible on definite information.

Research will be conducted to determine the potential markets for new products such as dried milk and dried eggs. Research, including consumer acceptance studies on a broad scale and analyses of alternative methods will be made to help solve the problem of shifting war enterprises to a peace time basis.

The freezing of foods has opened up a vast new food industry which will affect all phases of the marketing of agricultural perishables. Problems which should be immediately dealt with include: processing equipment needs, revisions in specifications of transportation equipment to handle the low temperatures, storage requirements, the effect on seasonal price changes and the competitive situation of fresh perishables, the effect on geographical location of producing areas, relative costs of marketing frozen and competitive foods, and new distribution methods and channels required.

Numerous new agricultural transportation problems are also arising because of the swift technological progress in recent years. These need to be solved. For example, refrigerated transportation equipment will practically have to be rebuilt from the ground up, owing to the depreciation of refrigerator cars during the war and the unavailability of replacements. Because of recent and prospective changes in the character of perishable goods traffic, it may be necessary or desirable to build radically different types of refrigerator cars than those heretofore used.

(3) Project 3. Farm population and rural welfare. The decrease of \$50,000 in this project will be effected by curtailment of certain studies of farm population migration, and the elimination of a study on retirement of farm operators:

(a) Farm Population and Migration. The work on farm population has included maintaining a continuous record of changes in the farm population to date and projections of changes in the farm population likely to occur in the postwar period under varying assumptions as to the functioning of the national economy; studies of migration to and from farms and rural-urban shifts of population which determine the adjustment of farm population to agricultural resources.

(b) Retirement of Farm Operators. The Bureau has practically completed the formulation of an annual time series which will secure information on the extent of and reasons for the

retirement of farm operators. The findings of such a continuous study are closely related to and will throw much light on such important matters as agricultural opportunities for returning veterans, tenure and tenancy, land inheritance, size of farms, absentee ownership, and rural social organization.

- (4) Project 4. Program analysis and service. The decrease of \$100,000 on this project will be effected by discontinuing the function of fostering groups for public study and discussion of broad agricultural problems and policies and by curtailment of surveys and studies designed to gather and analyze information useful in the planning of over-all agricultural programs and policies, and in appraising the effectiveness of current programs.

#### CHANGE IN LANGUAGE

The estimates include a proposed deletion in the language of this item as follows (deleted matter enclosed with brackets):

\* \* \* together with such amounts from other appropriations or authorizations as are provided in the schedules in the Budget for the current fiscal year for such salaries and expenses, which several amounts or portions thereof, as may be determined by the Secretary, not exceeding a total of [\$122,933] \$71,150 shall be transferred to and made a part of this appropriation: Provided, however, That if the total amounts of such appropriations or authorizations for the current fiscal year shall at any time exceed or fall below the amounts estimated, respectively, therefor in the Budget for such year, the amounts transferred or to be transferred therefrom to this appropriation and the amount which may be expended for personal services in the District of Columbia shall be increased or decreased in such amounts as [the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine] are appropriate to the requirements as changed by such reductions or increases in such appropriations or authorizations: \* \* \*

The language change proposes the deletion of the clause, "the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine," contained in the proviso in the 1946 Appropriation Act authorizing transfers from other appropriations or authorizations as shown in the Budget schedules. The language proposed to be deleted imposes on the Budget Director the responsibility for adjusting the amount to be transferred whenever the amount of the appropriation or authorization from which the transfer is to be made differs from the amount of such item as estimated for in the Budget.

The language in question has been examined pursuant to a letter of last March from the Chairman of the House Appropriations Committee to the Director of the Budget on the subject of legislative provisions in

appropriation bills. It appears that that portion of the proviso which authorizes the Budget Director to determine the amount of the transfer under certain circumstances may be legislative in character and, therefore, presumptively subject to a point of order, since it imposes additional responsibilities on him. Its deletion from the 1947 Bill is therefore proposed. Should the proposal be approved, it would be the intent of the Department to continue to consult with the Budget Bureau on such transfers.

(Continued on next page)





WORK UNDER THIS APPROPRIATION

Economics of Production:

Objective: To gather, analyze and interpret basic data bearing upon the economics of agricultural production. The Bureau serves the whole Department as its economic fact-finding agency, and cooperates with all branches of the Government working on related problems.

The Problem and its Significance: Agriculture is faced with serious problems in the years ahead. In response to heavy war-time demands, and favorable growing conditions, war-time production increased nearly one-third above the immediate pre-war period. Many adjustments were necessary in achieving this production and an unprecedented demand was made upon the resources of the Bureau for information and guidance. While stimulating the production of strategic materials, effort was also made to guide agriculture along sound lines.

Analyses are needed now of the economic effects of important improved practices that are likely to have accelerated adoption in the period of reconversion from war to peace. These include data necessary to determine how far it will pay farmers to go in adopting mechanical power and associated equipment and in increasing the use of fertilizer and lime. These problems need to be analyzed both by products, and by areas in order to furnish guidance that will be locally applicable. Such guidance is needed especially by operators of smaller farms.

Consideration is being given by various States and other agencies to the development of a substantial irrigation program. To guide sound agricultural development more information is necessary for many project areas on the amounts farmers can successfully pay for irrigation water and other economic factors affecting the success of irrigation projects. It is estimated that irrigated crops furnish approximately 40% of the value of all crops provided in the 17 Western States, consequently there is urgent need for more basic economic information. Drainage problems are also claiming much attention from the staff of the Bureau. These problems are of especial importance at this time in view of the need of war veterans for guidance in seeking farm opportunities.

Plan of Work: The Bureau will continue to analyze all available data and assist in the formulation of programs for authorized activities of the Department. A reservoir of statistical and economic data relating to agriculture is maintained. Factual information and analyses are furnished to agencies of the Department and others as to the effects of various proposals on the agricultural industry and the national economy.

Research on production adjustments in agriculture is carried out as a continuous program, in cooperation with other federal agencies and with State Experiment Stations. During the war period this work was focused on studies of production capacity with special attention to the products most needed in the war effort. Advance estimates for the year ahead were made each year by production areas for each of the 48 States. The State estimates were then summarized into national totals; and the area, statewide, and national figures used by action agencies of the Department as background for the building of production goals and for other

phases of the agricultural program. Work is now under way to analyze desirable changes in farming by production areas in the post-war period. As reconversion progresses, it is of utmost importance that forward estimates of desirable changes in farming be carried out year by year as a guide to farmers in their production problems. Suggested production goals have been sent by the Department to the States and when returned by the State Committees will be analyzed and used in the final determination of goals for the 1946 crop year.

Analytical studies are being made of farmers' credit conditions, farm insurance and taxation problems. These studies are chiefly based on analyses of statistics gathered through the Bureau's crop reporting organization, and from banks, credit agencies, State and county records, and other sources.

Problems of land utilization and production possibilities of various types of land are being studied in connection with an appraisal of the Nation's agricultural land resources. Measures to prevent inflation of land prices, to improve tenure conditions and to clarify land settlement policies are being studied.

Work is being done on irrigation problems in cooperation with 17 Western States, and field surveys are being made in the Missouri Basin in cooperation with other agencies. In these studies all of the various economic factors are considered and recommendations are made as to the feasibility of further development of irrigation projects. Practically all of the work involves cooperation with other Federal and State agencies.

#### Examples of Progress and Current Programs:

Changes in the financial structure of agriculture. Intensive detailed study of the rapidly changing financial condition of farmers has been made throughout the past year. Data from many sources have been gathered, classified, and analysed in order that dependable knowledge of the farmer's current financial condition would be available to government officials and to others who are concerned with the maintenance of agriculture at an effective and prosperous level, and to those who are concerned about groups or areas dependent upon agriculture.

The separate inquiries and studies necessary to an understanding of the over-all financial condition of farmers, as well as the consolidated data and analyses, have provided a wide variety of information to a large number of government and private agencies. For example, the Department of the Treasury regularly requests the current estimates on farmer-owned bank deposits, currency and war bonds, as well as the status of farm debt.

The National Housing Agency has provided each of its regional offices with reports of these studies in order to facilitate studies of housing needs in cities dependent on farm marketing areas. Similarly, the Federal Housing Administration is using much of the material in its studies of mortgage risk in urban areas dependent on farming communities. Manufacturers, mortgage lenders, commercial banks, and publicists, among others, have found the data and the analysis useful, as is made manifest by the frequent and favorable reference to this material and by continual requests for current figures.



If the financial condition of farmers could be studied in greater detail by areas, and by types of farming, the consequences of changing conditions and of government policies could be more clearly and quickly discerned.

Further rise in agricultural assets. Reflecting in large part the wartime rise in prices, agriculture, as measured by the dollar value of its physical goods, has increased from a 49-billion-dollar industry to a 74-billion-dollar industry during the 5 years ended January 1, 1945. During 1944 alone the increase was from 69 to 74 billion dollars. Financial assets such as currency, deposits, and war bonds increased from an estimated 5 billion dollars on January 1, 1940 to 13 billion dollars on January 1, 1944 and to nearly 17 billion dollars on January 1, 1945.

The increased valuations of physical assets used in agriculture are due mainly to higher prices rather than to increased quantities. The higher prices of capital assets like land and dairy herds that prevailed at the beginning of 1945 were mainly a consequence of high and rising farm income. Likewise the increase in financial assets is a result of continued high cash receipts and restrictions on purchases of many goods. Continued high farm income is by all odds the most important factor accounting for the changes in the balance sheet.

How the assets of agriculture changed in 1944. During 1944 total farm assets increased 8,225 million dollars. Of this increase 56 percent or 4,635 million dollars represented physical assets and 44 percent or 3,590 million dollars represented financial assets.

Real estate values constituted 55 percent of the total assets on January 1, 1944 as well as on January 1, 1945 as compared with 63 percent on January 1, 1940. The value of other physical assets constituted about 26 percent of the total on January 1, 1945 as compared with 29 percent on January 1, 1944 and 28 percent on January 1, 1940.

Financial assets were 19 percent of all assets on January 1, 1945 as compared with 16 percent on January 1, 1944 and 10 percent on January 1, 1940. Thus while the relative importance of real estate has declined, that of the financial assets has increased. The value of other physical assets remained a comparatively stable fraction.

Price versus quantity changes. The increased valuation of physical assets was largely the consequence of higher land prices. A 394-million-dollar increase in machinery and automobiles and a 250-million-dollar increase in crops on hand were almost exactly offset by a 668-million-dollar decrease in the value of livestock.

During 1944 about 300 million dollars of the increase in the value of machinery was due to price changes and about 100 million dollars to an increase in the physical amount on farms. Virtually the entire increase in the inventory value of crops on farms was the result of an increase in physical quantity. The price index of all crops taken together remained virtually unchanged.

The decreased value of livestock was due in part to a reduction in the values per head of all animals except hogs and poultry, but mostly to

a reduction in the number of animals. Changes in the value per head depend in part on physical condition or quality of the animals and in part on price for a given quality and weight. Milk cows alone increased in numbers.

How the equities changed. During 1944 the proprietors' interest in agriculture rose by 8,447 million dollars while the creditor interest declined by 222 million dollars. In the 5 years ended January 1, 1945 the proprietary interest has increased over 38 billion dollars while the creditor-interest has decreased over one billion dollars. "Proprietors" include not only owner and tenant-operators but also the landlords living off farms.

Relative importance of various equity items. On January 1, 1945 proprietors held an interest in the physical and financial assets associated with agriculture of 90 percent. Hence creditors' claims now equal only about one-tenth of these assets. Many farmers owe nothing, whereas others operate on a very narrow proprietary equity. As long as high income continues the heavily indebted farmers find a great advantage in the utilization of large amounts of borrowed capital but if farming becomes less prosperous, their debt service may be unmanageable. This is particularly true if the loan contract requires periodic fixed reductions of principal. In view of the unequal distribution of the debt load the indebtedness of farmers must not be dismissed as having no significance.

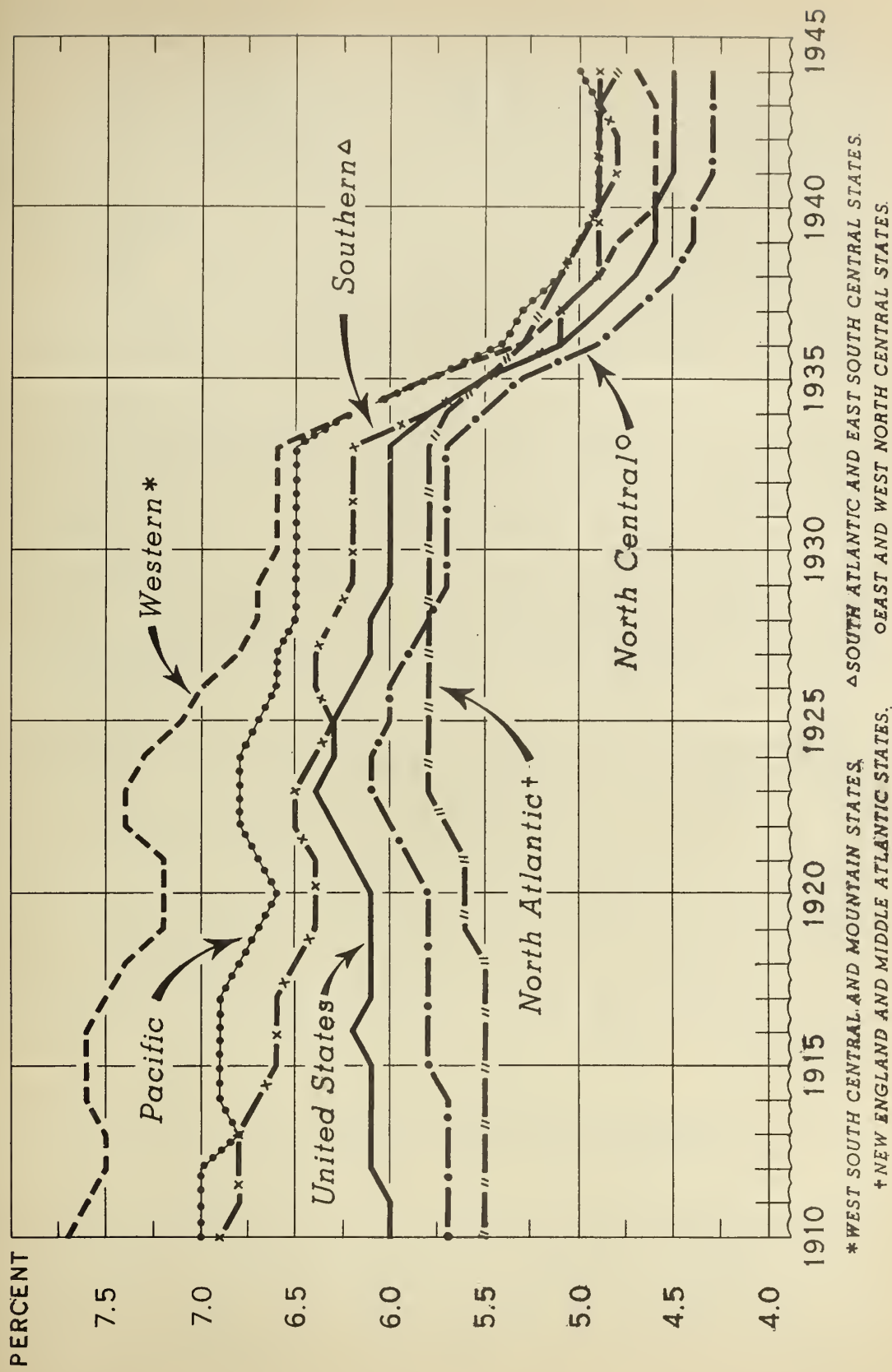
Financial ratios. In 1940 total assets associated with agriculture were valued at little more than five times total indebtedness. By January 1, 1945 they were more than 10 times debt. This improved asset-debt ratio reflects (1) debt reduction, (2) an increase in financial assets, (3) a slightly larger physical non-real-estate inventory, and especially (4) higher prices of real estate and the other physical assets.

Financial assets on January 1, 1945 were about 1.9 times total debt, whereas the year before they were 1.4 times debt, and on January 1, 1940 only one-half of total debt. This liquid position of agriculture as a whole does not prevail uniformly among individual farmers. Frequently farmers with large financial assets owe no debts; and farmers with large debts lack any considerable financial assets. Moreover, a considerable portion of the liquid assets represent delayed maintenance and offsets to depreciation. For years farm buildings have been depreciating, often without adequate maintenance. The cost of replacing worn-out structures at today's prices would make heavy inroads on farmers' cash.

Interest rates. During the year a study of farm-mortgage interest rates for 1940 and subsequent years was completed. On January 1, 1945 it is estimated that the average rate of interest on outstanding farm-mortgages was 4.8 percent as compared with 4.5 a year earlier. The rise during the year is accounted for in part by the currently higher rates put in effect on Federal land bank and Federal Farm Mortgage Corporation loans. A further factor is the higher percentage of the total debt now held by individuals and other local lenders whose rates are higher than those charged by the Federal agencies and by life insurance companies. The trend of mortgage interest rates by areas, 1910-44, is shown in figure 1 (Neg. 43836) which follows.



# AVERAGE INTEREST RATES ON FARM-MORTGAGE DEBT, UNITED STATES, AND MAJOR GEOGRAPHIC DIVISIONS, 1910-44







Farm-mortgage debt. Estimates of outstanding farm-mortgage debt by States, which cover the period since 1910, were carried forward to include data for January 1, 1944 and 1945. The contrast between the trend of debt during World War I and World War II is seen in figure 2 (Neg. 43539). The percentage change by States during 1944 is shown in figure 3 (Neg. 45222). A special study of farm-mortgage loans held by different lender groups was made during the year. Amounts of loans held by different lender groups, 1930-45, are shown in figure 4 (Neg. 45121); the distribution of total mortgage loans by lender groups is shown in figure 5 (Neg. 45221); and the volume of mortgages recorded by different lender groups is shown in figure 6 (Neg. 45122). In this study data on mortgage loans were developed by States for the major lender groups. Insurance company loans as a percentage of total farm-mortgage debt are shown by States in figure 7 for 1930, 1935, 1940, and 1945 (Neg. 45123).

Agricultural credit aids. The subject of agricultural credit subsidies has been widely discussed in recent years. During the year an over-all analysis was made of the Federal credit arrangements through which special aid has been extended to agriculture. Among the questions considered were (1) the fiscal relations of the Federal Government to agricultural credit agencies, (2) the groups within agriculture that are affected most by these agricultural credit aids, and (3) the over-all significance of these credit aids for the operating rural economy. An appraisal was made of the financing process when considered as one of several avenues through which public policies relating to agriculture can be promoted.

Agricultural insurance. Work currently carried on in agricultural insurance includes annual summaries of the record and experience of nearly 1,900 farmers' mutual fire insurance companies which together insure the major part of farm property in this country that is insurable against fire. The aggregate fire insurance in force in these companies exceeds 13 1/2 billion dollars. Some of the larger of these fire insurance mutuals also insure against windstorm and windstorm insurance provided by them, plus that provided by 65 mutuals that insure against the wind hazard only aggregates more than 7 billion dollars. Recommended improvements based on our studies of these mutuals have been widely adopted and through these mutuals farmers are providing themselves with sound and very economical insurance service.

Other groups of farm insurance companies, the records and problems of which are being studied, include hail insurance mutuals, livestock insurance mutuals, and casualty mutuals.

Special assistance with certain problems of the Federal Crop Insurance Corporation was resumed following the revival and extension of this Federal sponsored insurance program some months ago. Recent assistance by the Bureau to the Corporation has pertained particularly to the analysis of special crop acreage and yield data for use in formulating sound actuarial bases for the insurance of corn and tobacco crops and for the insurance of citrus fruit crops which is contemplated on a trial basis.

Efforts will be continued to gather and analyze farm accident statistics with a view to making available for use in safety education and programs more adequate information on the various causes of such accidents and how these causes may be removed. The annual accident toll in agriculture is distressingly large, involving some 17,000 fatalities, according to present estimates, and in addition numerous permanent disabilities occur as well as a much larger number of temporary disabilities.

Sample surveys bearing on the volume of farm fire losses have been made annually for the farm fire protection committee of the National Fire Protection Association, on which committee the Bureau is represented. These annual surveys, on the results of which the annual fire loss has been estimated and its trend determined, are expected to be continued.

Farm taxation. Continued study has been given to farm taxation problems. Farmers, like others, are affected not only by the amounts of taxes they are paying currently, but also by the long-run effects of fiscal and tax policies of the Federal Government. Greatly increased sums were paid in taxes by farmers during the war. Federal income taxes now loom the largest among the various taxes paid by farmers because of the high level of wartime farm income and the high rates imposed by law. It appears that Federal income taxes on 1944 income called for payments from farmers amounting to well in excess of \$500,000,000. Farm property taxes, which before the war were the most important taxes paid by farmers, have remained relatively stable and require payments by farmers somewhat less than those for Federal income taxes.

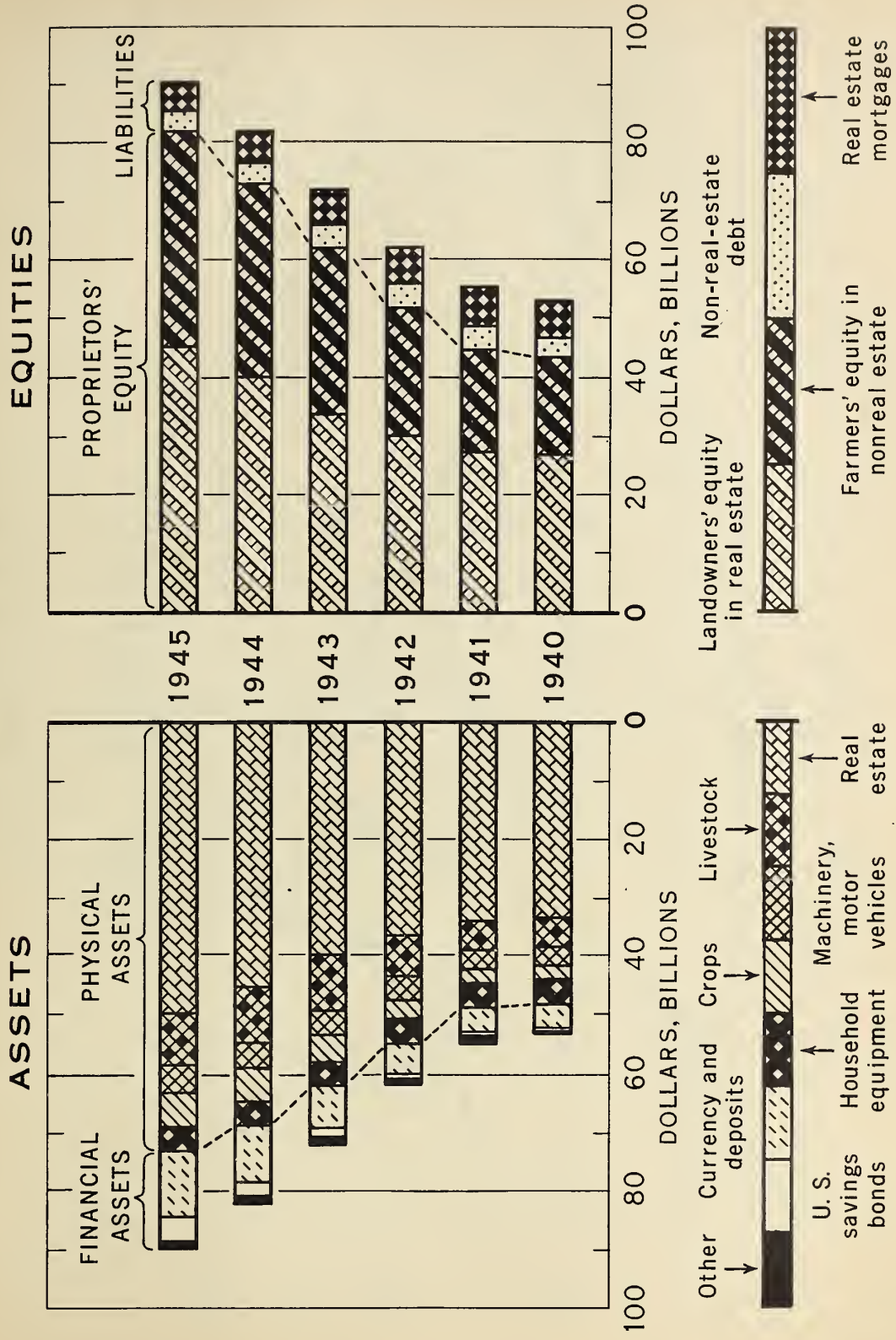
During the coming years, agriculture, like other segments of the economy, will be profoundly affected by the fiscal and tax policies of the Federal Government. Some of the effects will be the result of policies found necessary to facilitate the prosecution of the war. Others will result from policies which may be adopted to facilitate reconversion to national peacetime economy. Farmers, of course, may be directly affected by the types of taxes used. Perhaps of even greater importance for agriculture as a whole will be the general effect upon the economy of the policies adopted. For example, markets for farm products may be affected by the policies adopted in connection with taxes, the management of the public debt, or other fiscal activities. The various aspects of these questions continue under study because of their importance to a future healthy agricultural economy.

Production adjustments in Agriculture. Production adjustment to meet changing conditions of world supply and demand has been a subject of major interest to this Bureau for many years, but with the war emergency it became of such vital importance that it was given first attention in the Bureau's program. The work has been conducted in cooperation with other branches of the Department and various Federal and State agencies.

During the war period this work was focused on determining agricultural capacity to produce foods, and other farm products, of the right kinds



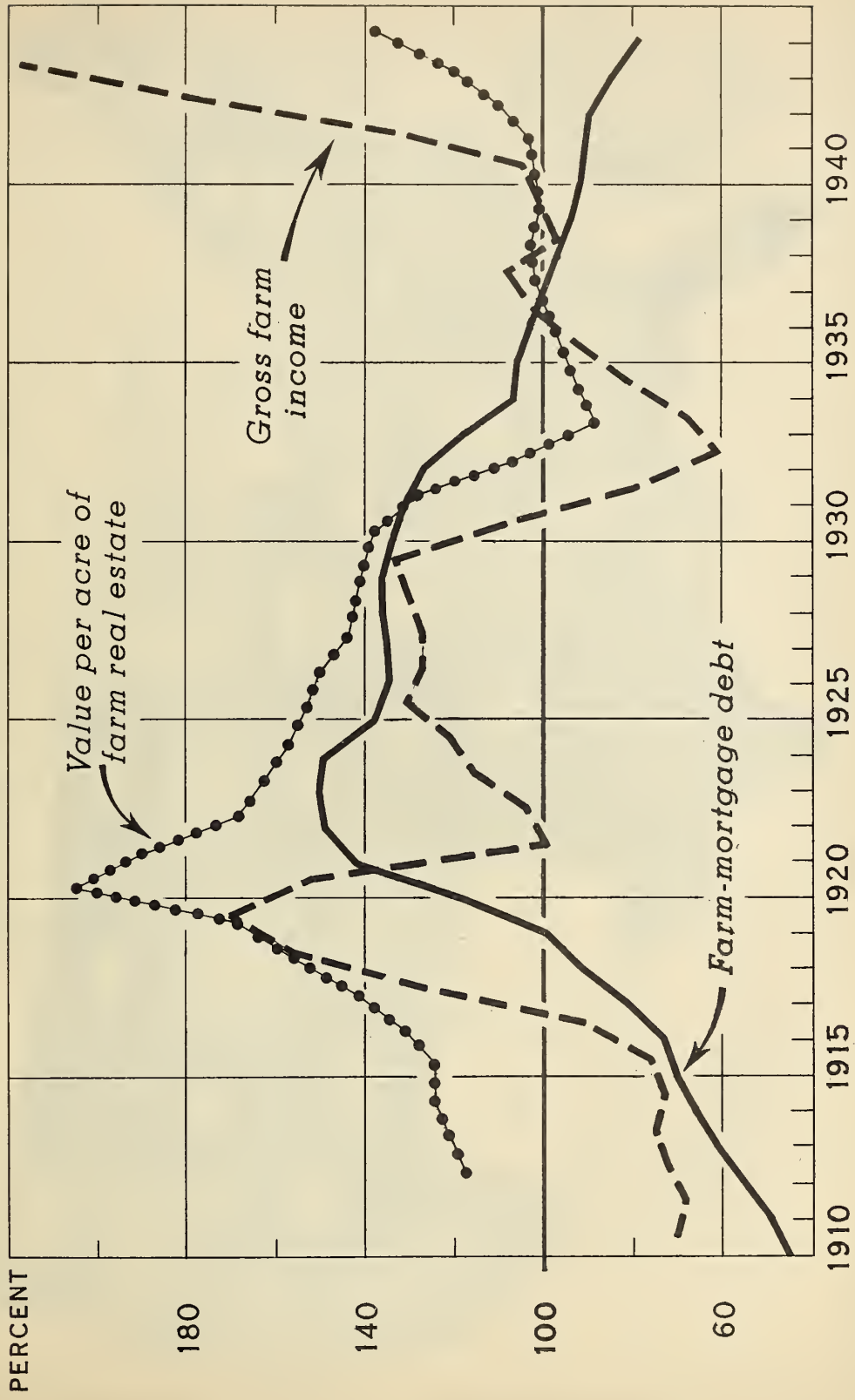
# COMPARATIVE CONSOLIDATED BALANCE SHEET OF AGRICULTURE, JAN. 1, 1940-45 (ASSETS AND EQUITIES IN BILLIONS OF DOLLARS)





# FARM-MORTGAGE DEBT, 1910-44; VALUE PER ACRE OF FARM REAL ESTATE, 1912-44; AND GROSS FARM INCOME, 1910-43: UNITED STATES

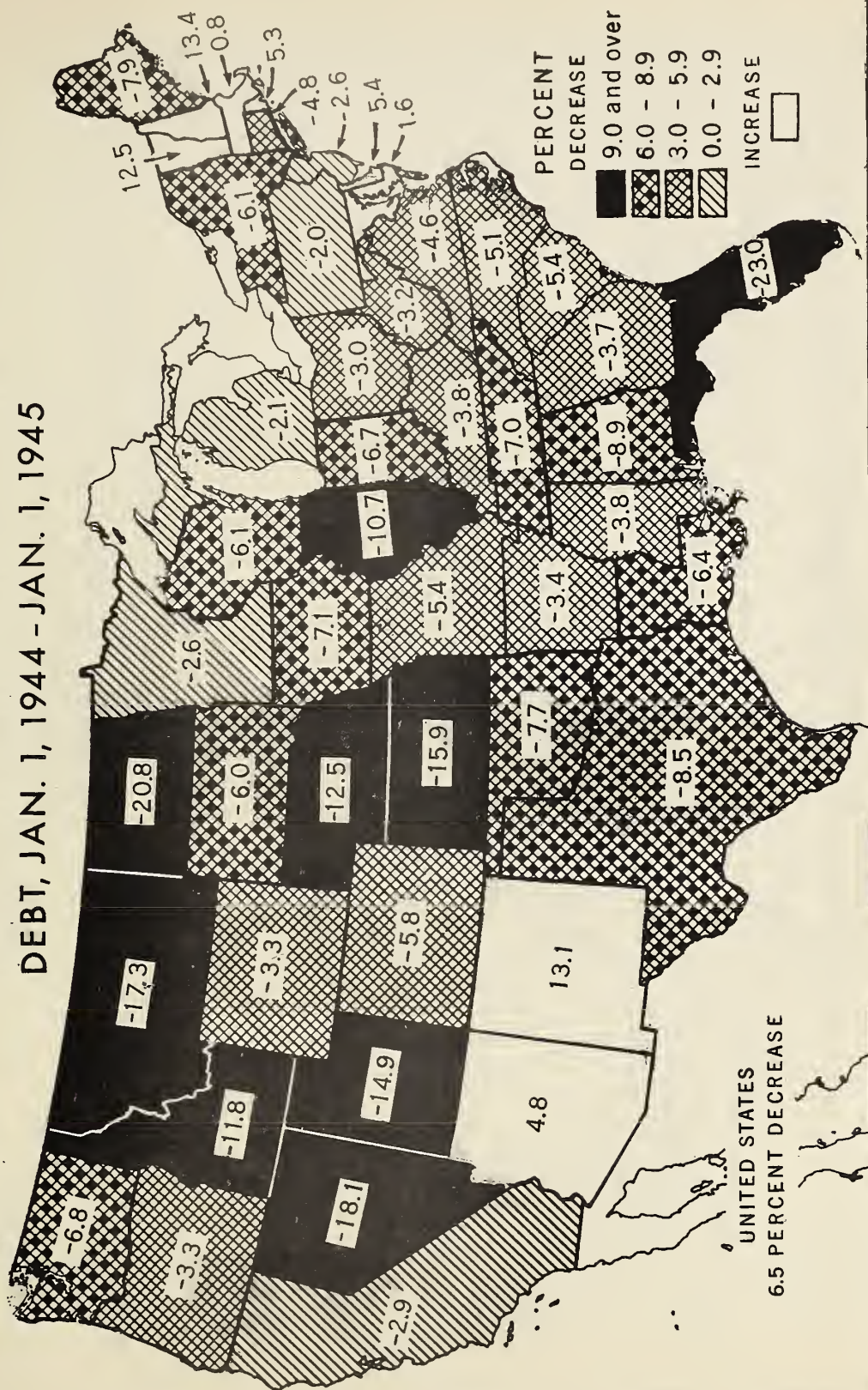
INDEX NUMBERS (1935-39=100)







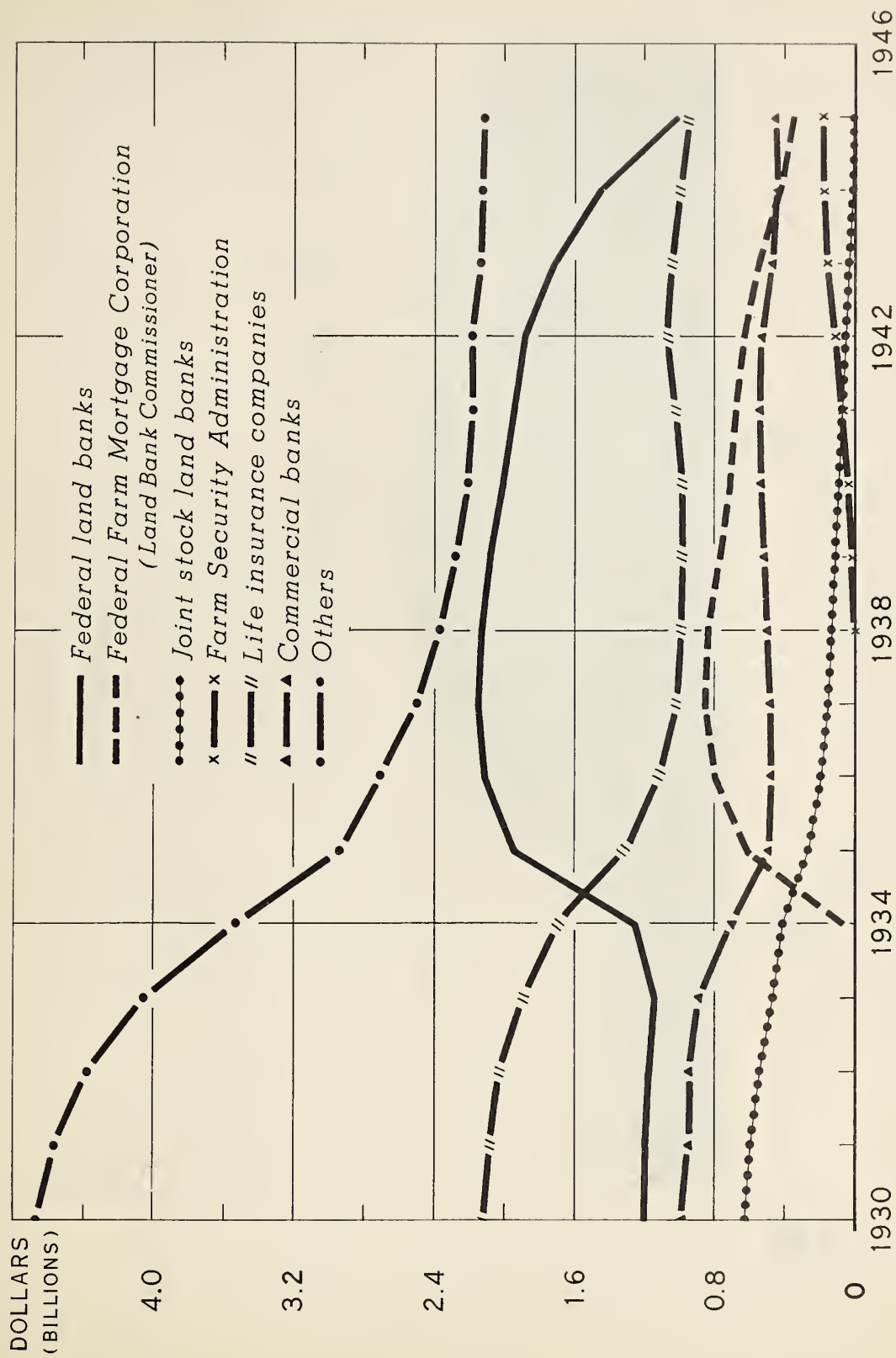
# PERCENTAGE CHANGE IN OUTSTANDING FARM-MORTGAGE DEBT, JAN. 1, 1944 - JAN. 1, 1945





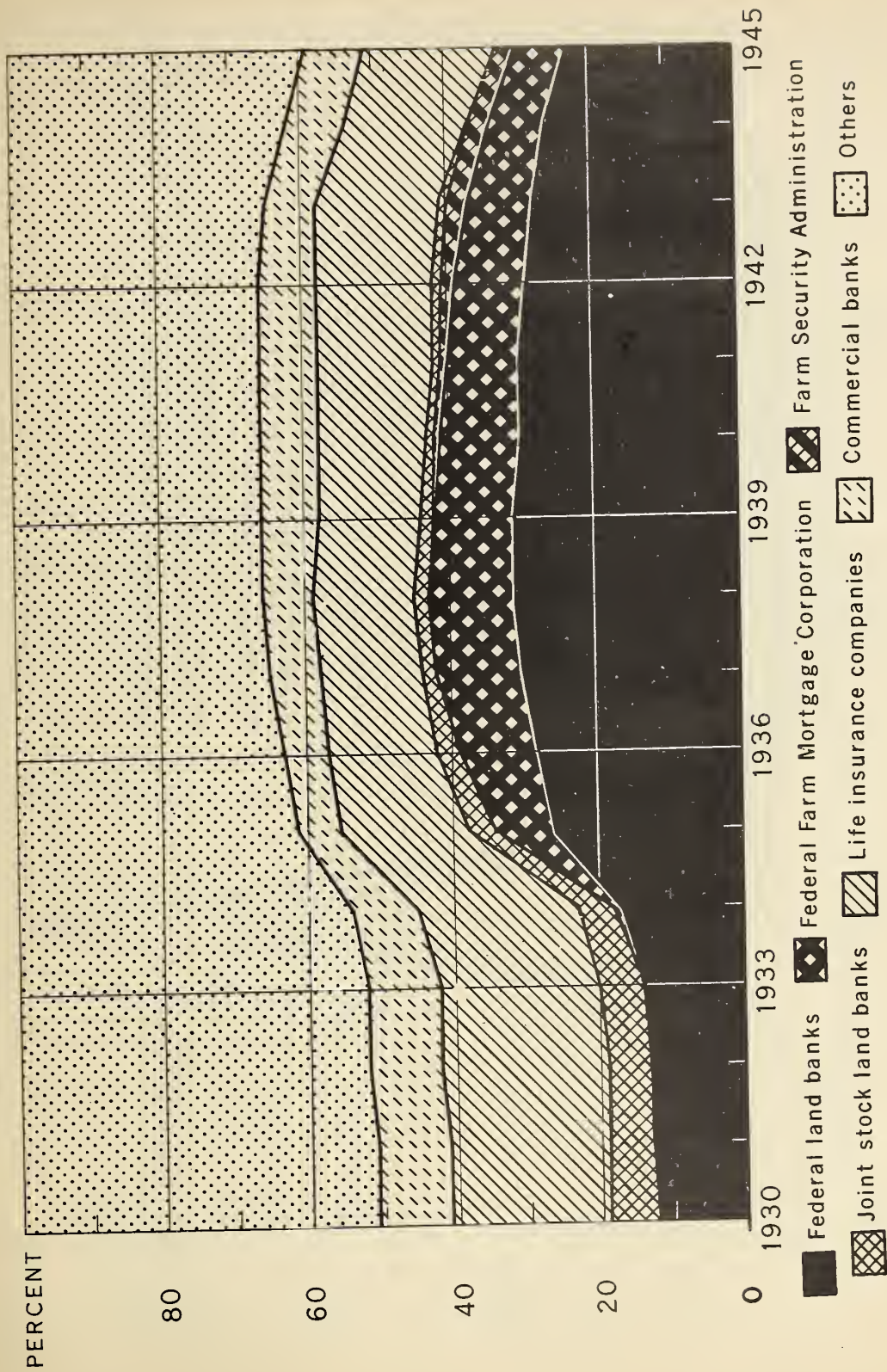


# TOTAL AMOUNT OF FARM-MORTGAGE LOANS HELD BY SELECTED LENDERS, UNITED STATES, JANUARY 1, 1930-45





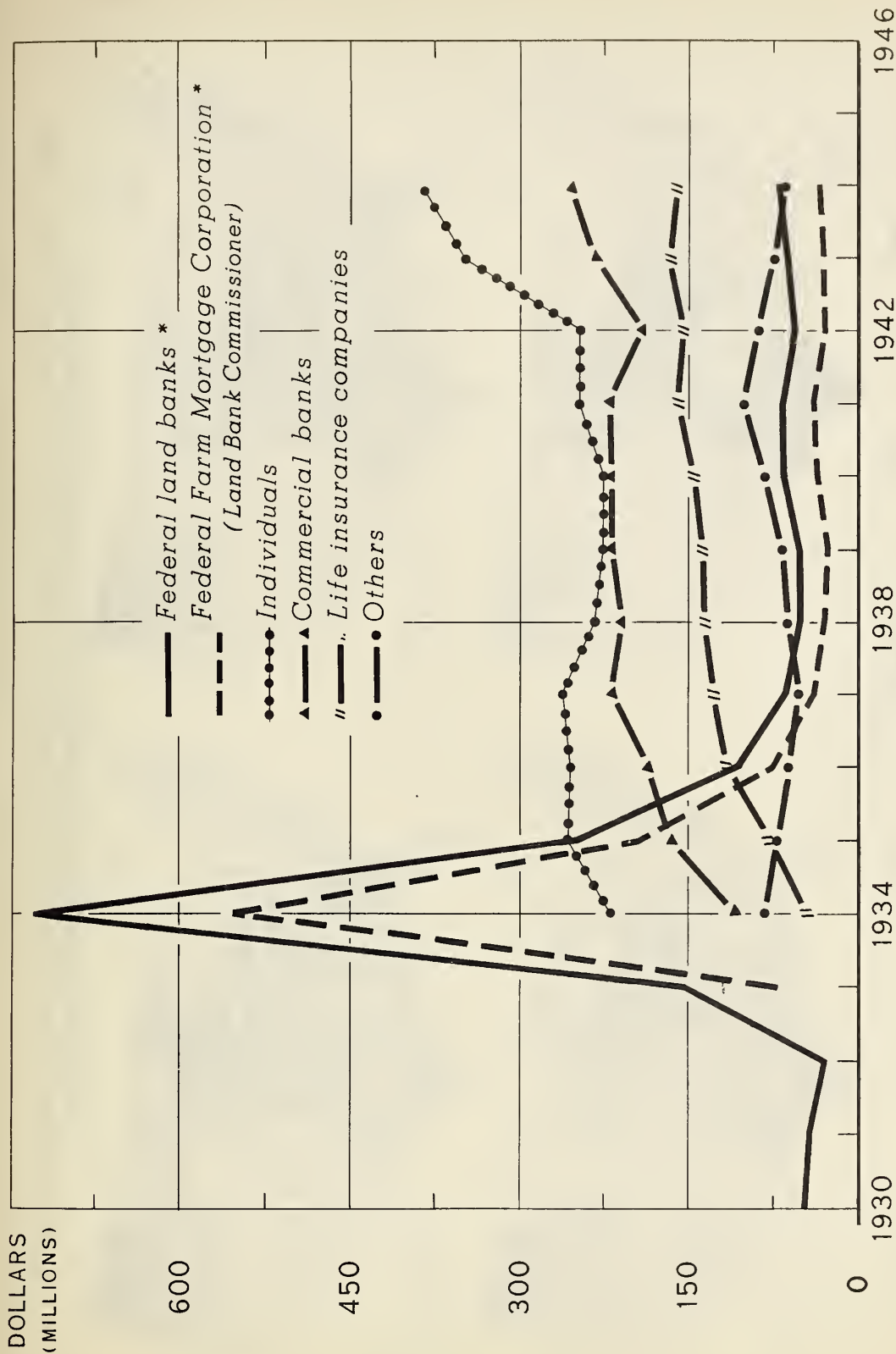
# PERCENTAGE OF FARM-MORTGAGE DEBT HELD BY SELECTED LENDERS, UNITED STATES, JANUARY 1, 1930-45







# VOLUME OF FARM-MORTGAGE LOANS RECORDED DURING EACH YEAR, BY SELECTED LENDER GROUPS, UNITED STATES, 1930-44

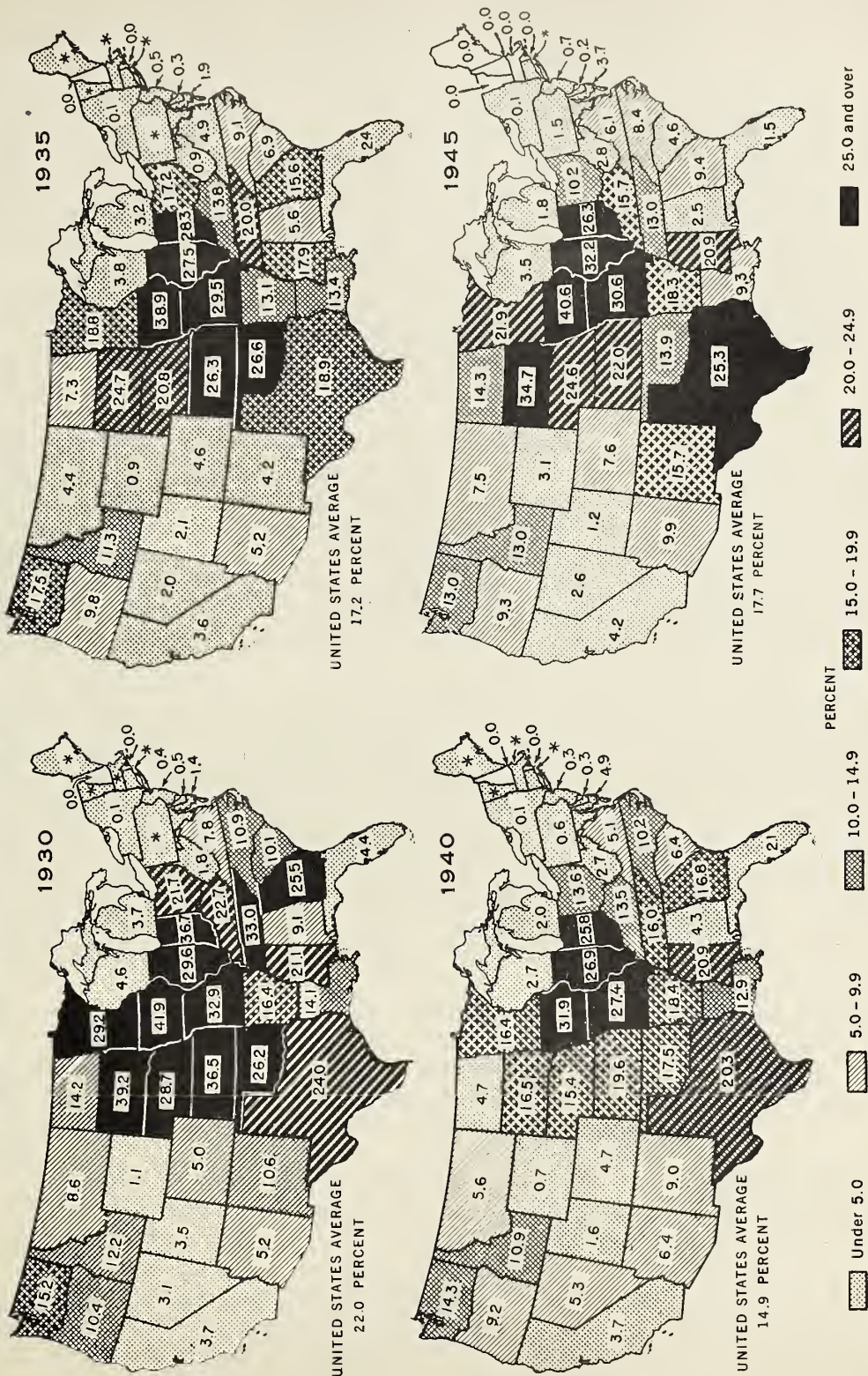


\* LOANS CLOSED





# FARM-MORTGAGE LOANS HELD BY LIFE INSURANCE COMPANIES AS A PERCENTAGE OF TOTAL FARM-MORTGAGE DEBT, BY STATES, JAN. 1, 1930, 1935, 1940, AND 1945



\*LESS THAN .05 PERCENT





and in sufficient quantities to meet war needs. These studies established a production basis for national goals for all of the principal products and developed a practical distribution of these goals by States. Continuous work has been done in assisting State workers to stimulate the production of scarce commodities and to help farmers in making their conversions to new crop programs.

Various estimates by farming areas for each of the 48 States have been obtained and these have been summarized into national totals which have been used as production background for building production goals and other phases of the wartime production program. Major emphasis was given to the kinds and amounts of food needed for the war effort and to the adjustments that would be necessary to enable each farming area, State, and region to make its maximum contribution in terms of these needs. This work has been carried out in terms of a balanced production program; i.e., acreages of feed crops and numbers of livestock have been related and cash crops together with the feed crops add up to the acreage of land available for cropping.

Work in 1944 covered both war and postwar phases. On the basis of uniform assumptions regarding the need for the products of agriculture in 1945 and the prospective availability of production resources, the States suggested a pattern of crop and livestock production that was used in developing and distributing the 1945 agricultural goals. Later in the year the States reported on the nature and extent of farming adjustments that would be profitable after the transition period from war to peace, under assumed prosperity conditions. This is discussed later.

The results of this work have been published in numerous Bureau releases, Department reports and regional committee reports for the guidance of farmers and all agricultural workers. The report, "Production Adjustments in Agriculture, 1945," released September 1944, summarized the 48 State reports on production problems and possibilities for the current year. A supplemental report, "Farm Land: Acreage in Principal Uses, by States, 1945 Wartime Capacity," was prepared for review by State Committees in a continuing effort to improve the statistics on this important subject. An analytical report and a statistical supplement will be released shortly summarizing the postwar phases of the work.

Because of the rapid expansion of oil crop acreages during the war, special attention is being given to careful study of their future position as an important segment of the adjustment problems to be faced. Economic analyses of this type have been and are being made to furnish a sound basis for transition from a war to a peace economy.

Cooperative work on suggested production for 1946 was carried out on the same basis as for 1945, and again served as a foundation for the 1946 production goals program.

Work on machinery and materials programs. The Bureau made the first analysis of wartime machinery needs and participated in subsequent analyses of this problem as well as in the development of rationing and allocation plans. Data have been gathered by the Bureau on machinery



on farms by type, size and age which served as the basis for developing rationing programs, and further intensive work was done to analyze the needs in the light of changing programs. Field work has been completed on a national study of improved practices in haymaking. It will reveal the most efficient methods now in use in different parts of the country. Similar analyses have been made for fertilizer, and less intensive analyses for some other production supplies.

Feed livestock balance: Periodic analyses have been made of the feed-livestock balance as the basis for evaluating the prospective supply of feed in relation to livestock numbers. This has been of unusual interest during the past year because curtailment of some kinds of livestock production in 1944 proved to be more drastic than necessary for maintaining a balance between feed and livestock. Current needs for livestock products make it desirable to fully utilize available supplies of feeds.

Feed supplies and requirements have also been analyzed by States, and data on production and distribution of specified feed ingredients and commercially mixed feed were analyzed to provide a basis for the wartime feed management program. Since livestock feed has been one of the most critical items in the production program, a current balancing of feed supplies in relation to livestock and a periodic projection for the year ahead have constituted an extremely important contribution to food production. This work was made possible by previous research on rates of feeding in different parts of the country, and by the availability in the Bureau of Agricultural Economics of current materials on feed supplies and livestock numbers.

Labor needs of Agriculture: Wartime studies of the labor needs of agriculture were concerned with determining the amount of work to be done in food and fiber production, the number of workers needed to get it done, and the most effective utilization of available workers. By utilizing existing data to the fullest extent and doing only a small amount of field work, estimates were made by commodities of labor requirements by States and for major farming areas and distributed by months throughout the year. From these basic analyses estimates were made of probable increases in labor requirements that would accompany potential increases in production. Attention was also given to problems of efficient utilization of reduced farm labor supply, both by areas and by commodities.

Farm production changes by census geographic divisions. Indexes of gross farm production (including farm-produced power of horses and mules) and of output of farm products available for human use have been constructed for each geographic division and the United States for the period 1919-44. These data have been used to measure changes in the quantity and composition of farm production, the factors responsible for production changes and the relation of farm employment to production, particularly during the World War II period. This work reveals the tremendous impact of mechanization on farming.

The indexes of gross production and output will be kept current for use in a continuing analysis of production changes and production adjustment.

Commodity reports. Typical of the studies in this series are the processed reports; "Changes in Hay Production in War and Peace," "Wheat Production in War and Peace," "Soybean Production in War and Peace," and one now being processed, "Feed Grains and Meat Animals in War and Peace." The first study traces the development of high quality legume hays in all sections of the country and their displacement of the lower yielding, less nutritive grasses. During the last 25 years, the pounds of protein available in hay per unit of roughage-consuming livestock (exclusive of that fed to horses and mules) have increased 74 percent, from 84 to 146 pounds. Continuation of this trend will go far toward placing livestock production on a more stable basis in postwar years.

The wheat study examines trends in wheat production between World War I and II and explores the postwar outlook for producers of this crop. Considerable attention is given to alternative methods of dealing with a crop which is customarily produced in excess of domestic needs.

A postwar production bench mark. The adjustments--some good, some bad--that were necessary to achieve wartime levels of agricultural production are being felt with increasing force in each succeeding year. In many instances, they have resulted in wide differences from prewar systems of farming--differences both in the emphasis given to certain farm enterprises and in the production practices involved. This study considers for the immediate postwar years the meaning of these war-induced changes.

For the period beyond the years of transition, when farms can be operated in an economy of peace and under assumptions of prosperity conditions, the States were asked to develop an agricultural pattern area by area, that would be profitable and at the same time restore and maintain the physical resources upon which agriculture is based. Considerable emphasis was given to the technological advances in agriculture that are available and can be employed in achieving desirable postwar objectives.

These bench mark estimates of farm production should be considered as the potential of the agricultural sector in a national economy geared to full production in all other sectors. They fit into a setting of full employment, high industrial activity, a large volume of international trade, and a high level of national income.

The results of such work are in no sense forecasts of what will come to pass, but by indicating what it would pay farmers to do under the assumed conditions they serve as postwar bench marks--reference points, indicating the direction of desirable adjustments for intervening years. The results of this study indicate that it would pay farmers to continue production at levels even higher than those achieved in wartime if consumer purchasing power and market outlets are maintained.

Land utilization research. In anticipation of demands for land by veterans, displaced war-workers, and others, the Bureau has prepared comprehensive reports on postwar farming opportunities, and is continuing to work with Department committees in developing policy for current governmental programs designed to aid individuals in becoming established



in farming. Cooperation has been extended Agricultural Experiment Station and Extension Service workers in preparing bulletins and circulars that give prospective farm operators and owners information on the opportunities in farming and the requirements of successful farming. The Bureau has worked closely with Department committees developing policy for the disposal of surplus military land. The work on inventorying lands available for development through drainage is being continued. Studies are being made in selected areas for the purpose of obtaining more detailed information on settlement and production possibilities on drainable lands. Such studies include a report being prepared on Jones County, North Carolina and a survey now under way of the Mississippi Delta.

A study of trends and shifts in major land uses in the United States is being brought up to date by the use of latest Census statistics and other data on acreages of land in farms, including an appraisal of the Nation's agricultural land resources. Work on a description of world agricultural land resources is also under way. The results of this work are needed to help formulate national agricultural programs.

The recent upward trend in the use of conservation practices together with technological improvements has increased the productive capacity of the agricultural plant and indicates that many land use problems may be intensified in the years ahead. The Bureau is cooperating with the Production and Marketing Administration in certain states for the purpose of determining the amount of farmer participation in conservation programs, the effects of practices upon yields, and the extent to which full conservation needs are being met. Results of such studies will be useful in helping shape current or future production and land use adjustment programs.

General studies of land productivity and land use adjustment problems are continually being carried on as background information for the purpose of giving general orientation for more specific research on special problems and indicate the relation of particular programs to agricultural land use problems as a whole. This type of work is illustrated by the Bureau's work on the land use aspects of wheat production in the Northern Great Plains, cotton production in the South, and forage land utilization in the Northeast and South Central regions, and the preparation of localized agricultural productivity indices in the Northern Great Plains region.

Water utilization research. The many proposals that are being made for new irrigation and drainage developments, some of which have already been authorized by Congress, increases the need for basic information and assistance in their planning. Reports have been prepared for most of the 17 Western States on potentially irrigable lands, and the work is being continued in the State of Utah in cooperation with the State College. In addition to indicating proposed developments which have received serious consideration, the proposals are rated in accordance with their feasibility. Basic data are being assembled for a summary of irrigation agriculture to furnish background material for planning new developments and improving the general understanding of the place of irrigation in Western agriculture.



Supplemental irrigation in the Willamette Valley, Oregon is being studied in cooperation with the Soil Conservation Service to learn the degree of success being achieved by present irrigation developments, and to determine the value to farmers of irrigation water from proposed developments in this area of unusual precipitation characteristics. A study of the water and land resources of Wyoming is being made to show extent of such resources, the limitations that affect their use, and the effect that proposed additional developments would have on the agriculture of the area. Reports are being prepared on irrigation and drainage in the South Central area for use of action agencies in sound planning for their developments.

During the past year assistance in planning has been rendered to action agencies by preparing reports on the value of irrigation water in the Sacramento and San Joaquin Valleys of California for the Army Engineers, for use in connection with the Central Valley development. A report on agriculture in the South Central Valley was prepared for use of the Bureau of Reclamation's planning activities in that region.

Land value research: Land values are now 60% above the 1935-39 overage and the land market is active. Continuing increases in farm real estate values and the threat of another land boom has resulted in widespread interest in current data on the farm real estate situation. In arriving at decisions and judgments, lending agencies and individual buyers, sellers, lenders and borrowers are increasingly giving consideration to information and accompanying analyses published periodically by the Bureau on land value movements, volume of land sales, various forces operating in the land market and other related data. Such materials are also essential to the formulation of public policy and the development of control measures appropriate for the farm land market.

During the past year the Bureau released periodic reports on current developments in the farm real estate market, quarterly regional reports on land market activity in selected counties and an annual summary of the farm real estate situation in 1943-44. The Bureau worked closely with the North Central Land Tenure Research Committee in preparing a report "Preventing Farm Land Price Inflation in the Midwest" and has cooperated with a number of State Agricultural Colleges in preparing various State releases on the land market. The basic data collected by the Bureau have been widely used by both Federal and State government agencies and financial and business organizations in connection with educational programs designed to curb further land value inflation.

The Bureau has continued to work closely with the intra-Departmental Farm Land Value Committee in developing the Department's policy on land market control and in devising possible control measures. A substantial part of a report by this committee on postwar land value problems and programs was prepared by the Bureau.

Land tenure research. The war was responsible for many shifts in the tenure status of large numbers of farm people and directly influenced tenure trends. Thousands of war veterans will likely want to return to farms, and because of high land prices will be forced to rent, rather

than buy. Such demands necessitate that the effects of the war on leasing practices, rental rates, farm ownership, and other tenure conditions be appraised. Part of the current research in this field of investigation has been reported in "Better Farm Leases," Farmer's Bulletin 1969, which was prepared the past year. This bulletin outlines certain general principles applicable to all rental situations. "Let's Talk About Farm Leases and How They Can Be Improved," Discussion Guide 27, was written; several radio and press releases and a motion picture short were completed covering farm leasing practices, rental rates, and general tenure improvement.

A national tenure report is nearing completion. This statement outlines the major farm-tenure problems of Nation-wide importance and offers suggestions for improving tenure conditions in the United States. Various methods of alleviating some of the difficulties that followed the close of World War I are discussed.

A report on "The Caribbean Land-Tenure Symposium" was prepared in cooperation with the State Department and is an analysis of a meeting held last summer in Puerto Rico. The report covers the papers presented at the symposium, a discussion of the Land Tenure situation in the area and an indication of possible future policies and programs.

Preparations are being made for holding an international conference on farm-tenure problems. The work done for this conference has been in cooperation with the Farm Foundation. Several national, regional, and local tenure committees and groups interested in farm-tenure improvement have received technical assistance from the Bureau during the past year, and this work is continuing. In connection with the work of these various committees and groups, several reports have been published and others are now in process.

An important phase of the conversion of agriculture from wartime production to a peacetime economy deals with problems faced by tenants, croppers, and wage laborers in making desirable adjustments. In several States, research investigations on specific tenure problems have been completed, and a Nation-wide study of changes in farm ownership is under way.

A better knowledge of inheritance practices and how they affect farmers and farms is urgent. Consequently, research studies are being initiated in several States to ascertain the various complications inherent in the present inheritance system. The Bureau has worked closely with the State Colleges in determining the scope of these investigations.

Land policy research. State laws governing tenure relationships vary widely and information on the legal aspects of land tenure is a necessity in pointing out limitations and alternative ways of bringing about tenure improvement. To meet requirements for basic data needed in present and future research of the Bureau in various phases of tenure, comparative summaries of certain State laws, including inheritance laws, foreclosure and moratorium laws, general property tax laws, homestead exemption laws,



and State laws relating to farm labor have been assembled. A study of "Legal Aspects of Landlord-Tenant Relationships in Texas" is under way. This work is being conducted in cooperation with the Texas Agricultural Experiment Station. Brief summaries of landlord-tenant laws and of landlord and tenant lien laws of all American jurisdictions have been prepared for use in connection with research activities of the Bureau.

In anticipation of studies by the Bureau of the efficacy of rural zoning and of soil conservation district regulation as rural land-use control measures, compilations of rural zoning legislation and of soil conservation district regulations are being brought up to date. Simultaneously a check of the extent of use of rural zoning throughout the Nation and the nature of zoning ordinances enacted is under way. A similar check of the extent of use and nature of soil conservation district regulations is being made. The possibility of using land-control measures in common urban usage, as, for example, equitable deed restrictions or covenants running with the land to effect better land use in rural and suburban situations, is also under study.

Research to discover the problems confronting farmers in drainage districts is required because of the possibility of the future reclamation of large areas of farm land through drainage. An analysis of the influence on land use of drainage districts operating under Virginia laws has been completed. A similar study of North Carolina drainage districts is under way at the present time. A condensed summary for ready use by Department personnel and others, covering outstanding Federal and State legislation affecting rural land use enacted in 1943 and 1944, has been completed and is being processed.

#### Prices, Income, and Marketing:

Objective: To conduct research and furnish basic data, economic analyses, and related services covering the supply of and demand for farm products, consumption requirements, prices, parity and comparable prices, income, parity income purchasing power, marketing costs and margins, price differentials among areas and markets, post-war disposition of agricultural products and of food processing facilities, the use of air transport, the development of technological improvements in marketing, and other phases of economic research concerned with production and distribution of farm products.

The Problem and its Significance: Farmers generally are in a much stronger financial position at the present time than they were following World War I, and reconversion from a war-time to a peace-time agricultural economy is well under way. There are, however, many problems connected with reconversion which should be given careful study. There is still a shortage of many types of manufactured goods which might lend to inflation of prices which would be disastrous for farmers.

The Federal Government has undertaken responsibility for continuing to support the prices of many farm products for two years after the termination of the war. It will be necessary, therefore, to be continually on the alert as to the development of conditions that may depress farm prices and be prepared to take adequate counter measures.



Costly mistakes may be made unless the necessary facts and information are available for the use of both private and Government marketing agencies. Unlike industrial concerns, most private agricultural marketing agencies do not have research staffs ready to develop the necessary information. This need must be met by public agencies.

Data are urgently needed to correct the inadequacies in marketing statistics. These have been evident in connection with war programs and constitute even more of a handicap in dealing with many postwar marketing problems. A new current series of price spreads at different levels of marketing should be developed for use in connection with such programs as Government price supports. Additional series are needed representing the volume of products flowing through the different channels of trade, margin statistics on cotton and wool, statistics on regional aspects of marketing, current measures of marketing cost factors, and processing of products.

Other marketing problems which are becoming more urgent are the following: (1) the use of air transport facilities in transporting farm products; (2) the marketing of dried milk in relation to the established fluid milk markets and impacts on specialized dairy production areas; (3) the orderly development of the frozen food industry; (4) needs for assembly and processing facilities to meet new technological developments; (5) readjustments in oil processing facilities to care for post-war changes in the composition of the fats and oils supply; and (6) the determination of possibilities for broadening markets and reducing costs of marketing perishables with portable refrigerated shipping containers.

Plan of Work: The Bureau will continue to gather and analyze statistics of all important agricultural products in relation to prices and to the purchasing power of consumers, which will make possible the development of appropriate production and distribution programs.

Examples of Progress and Current Programs:

Commodity analysis. The commodity analysis of the Bureau produces a monthly, quarterly and annual statement of the general economic position of the respective agricultural commodities. The various commodity analyses, which include data on production, supply, demand, prices and consumption, are presented in the Situation Reports--Fats and Oils, Dairy, Livestock and Wool, Poultry and Eggs, Feed, Cotton, Wheat, Fruit, Tobacco, Vegetables, World Sugar and Rice. In addition to the regular programs of specific commodity analysis, the commodity groups have done service work with respect to production goals, price policies, production incentives and distribution problems.

In the past year a number of special studies on livestock commodities and products have been published in the respective Situation Reports, including changes in the sales patterns of butterfat and milk and new data on the distribution of processed feed. Studies are underway on the probable post-war situation of the various livestock commodities and products.

In the field of agricultural food products attention has been given to probable supply-price conditions in the immediate future, and studies are underway on the probable situation of the major food products. In the past year, a report, Production and Consumption of Vegetables from 1909-1943, has been published and a study of Farmers' Response to Price in Production of Potatoes has been developed.

Income analysis. In addition to conducting a program of monthly estimates of cash farm income from farm marketings and government payments, monthly estimates of income by the principal groups of commodities, estimates of income by states, annual estimates of gross and net farm income for the United States, and analyses of changes in farm income, the Bureau has recently begun a number of special income projects. Current projects include the revision of income series back to 1910, studies of income parity on a regional basis, revised estimates of monthly cash income, indexes of agricultural production, and cash receipts of commodities by states.

Consumption studies. Current studies of the food situation are published regularly in The National Food Situation, which is the official statement of the Department in this field. The data presented include estimates of the total and per capita consumption of individual foods as well as overall measurements of the general level of food consumption. The annual food supply of the United States is also analyzed in terms of sources and distribution, including the division of current output and stocks among civilians, armed services and exports. Future prospects with respect to the demand and supply of food are currently appraised.

State estimates of net income from agriculture for the years 1929, 1939-44 have been completed and published. There is a great demand for such estimates annually. We are seeking the cooperation of the National Income Unit of the Department of Commerce and the Census Bureau in developing State estimates of net income per person and per family from sources other than agriculture.

The available information as to the distribution of income among families on farms and in urban communities is being collected and analyzed to develop the basis for comparing farm and nonfarm living conditions and opportunities, also to provide a better basis for estimating the demand for food and farm-produced textiles.

General price and economic analysis. In addition to publishing a mid-month summary of the economic position and outlook of agriculture as a whole and an analysis of general business activity, national income and employment, and other data which bear on prices received by farmers in the Demand and Price Situation, the Bureau has recently been engaged in a number of other projects in the general price field which include analyses of international commodity dollar proposals in regard to agriculture and trends in productivity per worker.

Reducing marketing costs and margins. This Bureau-wide project, in progress since early 1943, will be completed by the end of the present fiscal year 1946. The Bureau has drawn upon OPA and other sources for



additional data, and the scope of the project has been considerably enlarged over the original plan. A number (probably 10) of excellent technical reports will result in addition to the principal one, and the latter should become more timely than if it had appeared according to original schedule. Two reports, on textiles (U.S.D.A. Tech. Bul. 891), and price spreads for food products (U.S.D.A. Mscl. Pub. 576) have already been printed. The remaining reports are listed below.

1. Breakdown of farm-retail margins, and analyses of potential methods of reducing costs, by commodity groups (separate reports for livestock and meats, fruits and vegetables, cereal products, dairy products, poultry and eggs, tobacco products, hides and leather).
2. Over-all marketing costs and possible programs for reducing them.
3. Technical aspects of measuring and analyzing marketing margins and costs.

Improvement of marketing organization. One of the most popular phases of marketing today (e.g., the Flannagan Committee, Chambers of Commerce, etc.) is the organization of marketing facilities, particularly terminal markets. The Bureau of Agricultural Economics led in this field before the war. We are now limiting our projects of this nature and trying to follow through to see that something is done to implement the recommendations in the reports on different city markets which are being issued from time to time. In addition, a number of reports will be issued by the New England Research Council on which this Bureau is represented.

1. Terminal market projects (San Antonio, Dallas and Cincinnati markets; principles of wholesale market reorganization).
2. Southern concentration markets for fruits and vegetables.
3. Over-capacity in cotton ginning facilities and alternative methods of elimination.
4. Organization of milk marketing in New England (in cooperation with New England Research Council).

Impacts of changes in marketing and transportation technology.

Technological changes in marketing and transportation probably have affected the location and general character of agricultural production, and of food consumption, as much or more than similar changes in production methods as witness the effects of the refrigerator car on the livestock industry. Over the long run, they may be even more important than government policies and programs in determining the fate of individual farmers. For example, the general use of improved dry milks in the future conceivably could wipe out dairy enterprises in high cost areas like the East and South regardless of reconversion or other programs. The Bureau objective should be to harness these technological forces as far as possible in such a way as to make them of maximum good to both farmers and consumers, avoiding their ill effects at least by not failing to anticipate and allow for such trends. The following group of projects deal with the most important changes in prospect for the immediate postwar period. Some are Bureau projects, and others part of the Inter-Bureau Committee program, in conjunction with other agencies. A published report is expected on each of the projects indicated sometime during the present fiscal year.



1. Air transport.
2. New types of and ways of using refrigerator cars.
3. Consumer packaging of fruits and vegetables (and associated merchandising problems).
4. Frozen foods.
5. Dried milk and eggs.
6. Citrus fruit.
7. New packaging materials and methods.
8. Cotton
9. Work with inter-bureau groups on other commodities and related technological problems (industrial uses of farm products, fats and oils, etc.).

#### Farm Population and Manpower:

Objective: To gather and analyze data relating to farm population and manpower problems, and to aid in developing programs for organizing farm people and rural communities for cooperative effort in solving production and distribution problems and maintaining essential social services.

Significance: In any consideration of the farm situation, it is necessary that we have reliable data on population movements to and from farms, standards of living, wage conditions, adjustments of farm population to changing conditions, and other information. The population aspects are an integral part of the Bureau's research on the farm situation.

Plan of Work: The work is done almost entirely in close cooperation with other branches of the government. Investigations, surveys and compilations of data are made which are used in reports upon the agricultural situation for various parts of the country and for specific types of farming. Continuous work is being done in cooperation with the Bureau of the Budget, the Bureau of the Census, and the Bureau of Labor Statistics on the improvement, reconciliation and standardization of employment, unemployment and wage statistics. Special studies are being made of employment conditions and opportunities in agriculture.

The project involves working toward a more accurate diagnosing of the problems of rural welfare in terms of levels and standards of living than is now possible. Data are being secured from representative samples of rural families throughout the country. These data are being analyzed to show the nature of the needs and their incidence in terms of significant categories of the rural population. These measurements if repeated periodically will constitute a time series which will be valuable in appraising farm problems.

#### Examples of Progress and Current Programs:

Farm population: The work on farm population has involved collection of primary data, cooperative development of estimates with other data collecting agencies, and analysis and interpretation of data available from

all of these sources relating to the level and composition of the farm population, migration to and from farms, and factors associated with changes in the farm population. During wartime the close relationship of farm population changes to problems of farm labor supply has meant that farm population information is of great importance to farm labor studies. In the postwar period studies of migration to and from farms will be exceedingly important in following the readjustments made by veterans and war industry workers. Rural-urban population shifts will be important for attaining progressively better adjustments of farm population to agricultural resources. The work on farm population has included maintaining continuous record of changes in the farm population to date and projections of changes in the farm population likely to occur in the postwar period under varying assumptions as to the functioning of the national economy. In addition, cooperative work is being continuously carried out with the Bureau of the Census aimed toward improving basic concepts and methods of developing farm population and migration estimates.

Health: Anticipating the growing National consciousness of rural health needs, the Bureau has been engaged for more than a year in analyzing experimental health associations sponsored by the Interbureau Committee on Post-War Programs. A series of 7 reports, each covering the operation of a tax-assisted voluntary local health association, has been issued. On the basis of these documents a summary report with recommendations has been prepared for the Subcommittee on Wartime Health and Education of the Committee on Education and Labor, United States Senate, and was published in October 1945. Also as a part of this health series, a combination sociological-dental survey was conducted early in 1945 covering operation of the Farm Security Administration dental program in a Southern County. The report of the dental program survey has been incorporated in hearings on Senate bills dealing with the coordination of research relating to dental health and providing for the establishment of the National Institute of Dental Research (S-190, 79th Congress) and amending the Public Health Services Act so as to provide assistance to states in developing and maintaining dental health programs (S-1099, 79th Congress).

Social security for farmers. The Bureau has been making an analysis of all problems and issues which would or might arise if the proposed extension of social security coverage to farmers and farm laborers is enacted in the law. This analysis attempts to clearly delineate the types of insecurity to which the different classes of farm population are subjected. Working with the Social Security Board it has given a great deal of time to a study of benefits to be derived by farm people, contributions to be made by farmers and farm laborers, and the administrative and reporting techniques which would be acceptable to farmers. Conferences have been held with farm organizations and leaders and a basic research document is in preparation on "The security-insecurity problems of American farmers."

Levels of living: Work on standards and levels of living is being carried out in three main fields: (1) the development of time series data on various phases of standards and levels of living; (2) the influence of the disposal of unprecedentedly high farm savings upon levels and standards of living; and (3) the adjustments of returning rural veterans.



Time series activities may be divided into three phases. First, the Quarterly Survey of Agriculture sample has been used to obtain data comparable to those secured by the Census (such as automobile, housing conditions, telephone, radio, refrigerator, and washing machine data) so that significant changes in possession of level of living items can be more currently reported than would be possible through decennial or quinquennial Census enumeration alone. Second, the Quarterly Survey of Agriculture has also been used to get pertinent information going beyond that regularly obtained by the Census, but which conceivably could be incorporated into future Census enumerations if its usefulness warrants, and in any case can be obtained periodically in the future if the Quarterly Survey of Agriculture continues. This includes data on such items as medical care, accidental injuries, participation in or isolation from organized community life, and access to information through newspapers and magazines. Third, through informal cooperation with other agencies in the Department, with the U. S. Public Health Service, and with the North Carolina Agricultural Experiment Station, a new method has been developed for determining unmet needs for medical care as one important phase of the level of living. This method, while still subject to further testing in refinement, has received the endorsement of Public Health Service officials even in its present unfinished form as a valuable attack on the problem, supplementing the more conventional measures by a novel but valid approach.

Data is being secured on the impact of the war-time backlog of savings on the level and standard of living of farm people. Punch cards containing data on the post-war purchasing intentions of rural people have also been made available for analysis by the War Production Board. The Quarterly Survey of Agriculture also provides a means whereby current information may be secured on the present plans and, later, the actual behavior of farm people with regard to their disposal of savings and their changing levels of living.

Farm labor. The work of the farm labor section during the past year has been directed to studies and interpretations of the social and economic conditions of farm laborers in the United States. Historical facts and new data were brought to bear on war and postwar problems relating to employment and wage conditions, income, and living standards of agricultural workers. As a result of this work, a body of knowledge has for the first time been brought together and analyzed so as to: (1) permit charting a course of governmental policies with respect to specific problems affecting agricultural workers generally and hired farm workers particularly; (2) bring into sharper focus the problems affecting hired farm laborers concerning which further study is needed. Among the specific problems on which work has been done are the wage and working conditions of farm laborers, the effect of wartime farm wage stabilization activities of the government, the factors making for changes in agricultural labor productivity, the influence of labor costs on farmers' income, the past and prospective opportunities for gainful employment in agriculture. Research has also been done in connection with ways and means of extending to agriculture the benefits of social legislation, such as social security coverage, unemployment compensation, minimum wage legislation, health and housing programs. In addition, work has also been done on improving basic statistical labor force and farm wage series of government agencies.



## Program Analysis and Service:

**Objective:** To develop programs and services aimed to promote fuller employment for the country as a whole and at maintaining and improving farm income and the demand for farm products, through analyzing and interpreting the probable effects of (1) the reconversion of the industrial economy from a wartime to a peacetime basis; (2) the development of new international policies and arrangements; and (3) improved nutritional programs for consumers. In addition, the Bureau aims to provide continuous advisory and analytical assistance to operating agencies of the Department as well as other agencies of Government whose programs affect agricultural conditions.

**The Problem and its Significance:** There is need for studies to show the effects on the demand for agricultural products of the termination of: War production, lend-lease food purchasing, distribution of relief supplies, and similar factors that may have a depressing influence on farm prices. Other forces, such as the cessation of rationing, the expansion of ocean shipping, and the spending of accumulated savings, may result in increased demands for farm products. The relative influence of these opposing forces needs to be appraised, and conclusions reached as to the necessity for special nutritional programs to expand the domestic consumption of agricultural products and the nutritional standards of the nation.

**Plan of Work:** Studies and investigations are being carried out in cooperation with other agencies of Government: (1) To determine the significance of full employment conditions in agriculture on the demand for farm products; (2) to determine the need for special food consumption programs in this country, as a means of expanding the farmer's market and also bringing about improved nutrition among consumers; (3) to evaluate the economic possibilities of developing or expanding rural industries, particularly in the South, with a view to utilizing local supplies of labor and raw materials; and (4) to determine the effects of lend-lease, trade agreements, international relief programs, and reconstruction and development loans on domestic agricultural problems and programs.

The staff functions under this subdivision involve a combination of analytical activities and program operations of the action agencies. Analytical activities are oriented not only to current agricultural problems, but also to potential developments in the field of public action with respect to agriculture. The analyses often cut across the fields of various divisions and agencies in a manner that will permit the fullest utilization and synthesis of pertinent facts and information available. Closely related to this analytical work is the liaison services arising out of the Bureau's close collaboration with action agencies located within the Department of Agriculture and within other agencies of the Government, such as the War and Navy Departments, Civilian Production Administration, Office of Price Administration, Interior, UNRRA, Treasury, and the Federal Reserve Board.

Examples of Progress and Current Programs:

The Bureau's work under this subdivision consists of a combination of analytical and fact-finding studies and advisory policy-making responsibilities. It takes the mass of information which is gathered, compiled, analyzed and released by the Bureau to meet many different types of needs, and interprets the data in terms of desirable Departmental action. These analyses and interpretations consider not only current agricultural problems but also present and potential developments which may affect the future of agriculture.

Farm programs: At the request of the Special Committee on Post-War Economic Policy and Planning of the House Committee on Agriculture, members of the research staff have been loaned to the committee for the purpose of making available the Bureau's statistical and general information and to help prepare the reports and findings. Details of a plan of research on cotton handling and marketing problems, and on cotton goods production, and distribution techniques, costs and margins are being worked out. Staff service has been rendered to the International Cotton Advisory Council. An appraisal of the impact on cotton of the wartime expansion of synthetics production prepared by the Bureau has had very wide use in this country and the French Government requested and was granted permission to reprint it.

Wheat policies: The position of wheat and the welfare of the wheat farmer is of vital concern, and an understanding of changes that have taken place in acreage, yield, production and utilization of wheat as well as other data are necessary to an intelligent selection of alternative wheat policies. For this reason a comprehensive report has been prepared on "Wheat Production in War and Peace" setting forth historical data on wheat production trends, and pointing out policy alternatives. A comprehensive conversion program for the wheat areas was outlined involving (1) more efficient operating units, (2) machinery and cropping systems adapted to the farm to spread overhead costs over more units of production, (3) adoption of conservation practices to provide long-time stability in farming in the area, (4) combining livestock and wheat production where conditions permit, and (5) a crop insurance program with inclusive coverage.

Government programs in marketing: Marketing probably will occupy a considerably more prominent place in future government action programs than at any time before or during the war. The trend is in this direction due partly to increased emphasis on nutrition and partly to war-time needs which forced the government into food buying, handling and price-supporting activities of a type to which many look for help in stabilizing prices. The Bureau's staff is not adequate to carry on extensive studies, but analytical work is being done on several problems such as

- (1) Federal aids to agriculture in marketing - analysis of past programs;
- (2) Long-time outlook for Western agriculture; and
- (3) Hog price interrelationships (for use in connection with support prices, etc.) in cooperation with Corn Belt Livestock Marketing Research Committee.



Agricultural history and war records. The Bureau's program in agricultural history has been at a minimum level for the past three years. During this period primary attention has been given to service work, requested research projects and the maintenance of established publications. In these years the resources formerly utilized for agricultural history have been devoted to the "War Records Project" of the Department. During the past year this project has continued its collection of the documents of wartime administration and the development of histories of the respective war programs. A study of the programs of the Agricultural Research Administration is being formulated and a general survey of agriculture in the war period has been begun which includes a series of monographs on the major aspects of agriculture during the war.

What peace can mean to American farmers. A bulletin entitled "Maintenance of Full Employment" has recently come off the press as one of a series of studies on the postwar situation. It contains an analysis of the possible significance to agriculture of various levels of non-agricultural employment. The general conclusion drawn was that under full employment, postwar adjustments in agriculture can be made without undue disruption but that difficulties would be multiplied as the number of unemployed increased. It points out that the welfare of farmers depends more upon the level of business activity and nonfarm employment that can be maintained than upon anything else. Analyses are given of the various problems of shifting from war to peace and measures for helping maintain full employment are pointed out such as (1) maintenance of farm purchasing power, (2) revision of tax laws, (3) encouragement of competition, (4) stimulation of private investment, (5) revision of social security system, and (6) improvement in timing and coordination of public expenditures.

Regional studies of potential production and use of farm products. The Bureau is cooperating with a number of agencies on studies of regions where there is urgent demand for assistance in working out special problems. Work was completed on a series of projects on the Central Valley of California under a cooperative agreement with the Bureau of Reclamation, and work is being carried on at present in the Pacific Northwest in cooperation with the Bonneville Power Commission.

The postwar agricultural and economic problems of the Cotton Belt are being given major attention at the present time, and tentative plans for comprehensive studies of other areas are being considered.

The Bureau carries on economic research to determine the feasibility of various reclamation projects and the contributions which reclaimed areas will make to the general economy of the country.

Discussion guides for farm groups. A large number of leaflets in popular form have been prepared for the use of farm groups in familiarizing themselves with the information released by the Bureau. A recent number embodied the most essential considerations involved in farm leases. A number have given guidance to persons seeking to enter the



farming profession. An indication of the present interest in farming is the unusually heavy demand for Farmers' Bulletins. For example the circulation up to September 1, on three recent bulletins is as follows: Getting Started in Farming, 96,300 copies; Planning the Farm for Profit and Stability, 51,000 copies; and Useful Records for Family Farms, 21,600 copies.

Public response to agricultural programs: A number of sample surveys have been made for the purpose of obtaining for administrative officials in an objective way the facts needed on the responses of the people affected by specific programs. These surveys show what the thinking of the people is with regard to a program, the degree of success which is being obtained, the obstacles to be overcome, the faults in methods which are being pursued and the possibilities of alternative methods and other desired information. The Master Sample for gathering statistical data is proving very helpful in this type of study.

Sample surveys have been made of farmers' production and marketing plans for various crops and livestock products. Information has been gathered on ways in which farmers believe the government can help them in achieving optimum production. Studies have been done to trace the development of inflationary tendencies in the land market and to learn from farmers their expectations regarding changing land prices and their own participation in the land market. The data obtained from these and other types of sample surveys have been important in the most effective operation of the various Department programs.

Another type of sample study is an investigation of the Tenant Purchase program, an important aspect of the work of the Farm Security Administration. The objectives of this study were to assess the degree to which TP borrowers follow the terms of the plan on which their loans are made, to identify the features of the program which borrowers find helpful and those which they regard as valueless, to find out the kinds of changes in farming practices which borrowers have made, and to evaluate the quality of administration practiced by the county supervisors. These and other items of information are serving as the basis of a reassessment of the administration of the entire Tenant Purchase program.

A further use of sample surveys is found in the increasingly important field of consumer response to new agricultural products. Studies have recently been done to measure the acceptability to the public of certain types of processed foods. Market research of this type is meant to determine the features of the product which the consumer likes or dislikes, the relative merits of the product as compared to other products, and other information needed for product development in order to expand the market for agricultural products. These studies have received a great deal of attention not only in the Department of Agriculture but in the food industry as well.

Sample surveys have also provided for the first time extensive information on the extent of home gardening, home canning and storage of food, backyard poultry flocks, and other aspects of non-commercial food production and conservation. These studies have given data on the typical size of gardens, kinds of foods grown and preserved, practices followed

in gardening and conserving, plans for next year's gardening, and other aspects of this important adjunct to the commercial food supply. Data from these studies have been used widely throughout the Department.

(Continued on next page)

(c) Crop and Livestock Estimates

Appropriation Act, 1946 .....	\$1,520,000
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945 .....	+217,000
Transfer, 1946, from other appropriations (as shown in detail below) .....	+165,725
Total anticipated available for 1946 .....	<u>1,902,725</u>
Budget estimate, 1947 (direct appropriation) .....	<u>2,144,000</u>
Change for 1947:	
Overtime decrease -\$33,960	
Increase <u>+275,235</u> .....	<u>+241,275</u>

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
1. Agricultural statistics	\$1,608,524	\$1,868,765	\$2,144,000	\$275,235 (1)
2. Overtime pay .....	241,588	33,960	- -	-33,960
Covered into Treasury as miscellaneous receipts, .....				
Public Law 529 .....	1,240	- -	- -	- -
Unobligated balance .....	58,648	- -	- -	- -
Total available .....	<u>1,910,000</u>	<u>1,902,725</u>	<u>2,144,000</u>	<u>+241,275</u>
Received by transfer from:				
"Salaries and expenses, .....				
War Food Administration, .....				
Department of Agricul- ture" .....	-175,000	-165,725	- -	- -
Anticipated supplemental. ....	- -	-217,000	- -	- -
Total estimate or appropriation .....	<u>1,735,000</u>	<u>1,520,000</u>	<u>2,144,000</u>	

INCREASES OR DECREASES

(1) The increase of \$241,275 for 1947 consists of a \$33,960 decrease for overtime and a net substantive increase of \$275,235, made up as follows:

(a) An increase of \$22,800 for continuation of the collection and publication of dairy statistics now being financed from "War Food" funds.

Plan of Work: Mailed inquiries will be used to collect sufficient sample data to measure current production and marketing trends. Included in this program are the following projects:

Quantitative Estimates for Weekly report on Creamery  
Butter Production



Quantitative Estimates for Weekly report on Cheddar Cheese Production  
Monthly Estimates of the Production of Swiss, Brick, Munster, Limburger, etc.  
Monthly Estimate of Ice Cream Production, by States  
Weekly Report on the Receipts of Cheddar Cheese at Warehouses in States other than Wisconsin (data for Wisconsin already being collected under our regular appropriation)

A large part of the data included in the above-enumerated reports is now being collected and processed through funds provided by the war emergency agencies. With the end of the war and discontinuance of "War Food" funds, such data will no longer be collected and these several series of reports and estimates will have to be dropped unless special provision is made for their continuation. The periodic reports and data proved extremely useful to all government agencies in the handling of their war-time and other emergency programs on the dairy industry, and they are anticipated as having even greater value for use in the postwar period when the dairy industry will be faced with equally as complex and numerous questions to solve.

(b) An increase of \$107,000 for development of current monthly information on livestock slaughter in non-Federally inspected plants.

Problem and its Significance: During the past year considerable attention has been given to the need for improving and expanding statistics on livestock and meats. The effect of governmental controls not only accentuated this need but emphasized the value of long desired basic information on livestock and meat to those connected with the various phases of the industry. Recommendations for improving and expanding livestock statistics beyond the scope of information now collected have been received from many sources. Recently the National Livestock Committee of the American Farm Bureau presented a comprehensive plan for improving livestock estimates and forecasts, with respect to livestock slaughter, cattle on feed, prospective marketings and related subjects upon which expanded and improved statistics are desired.

Plan of Work: The proposals by the Bureau are limited to additional reports on livestock slaughter, as follows:

- (1) Estimates of non-Federally inspected slaughter. Estimates of annual slaughter have been made for many years, but data collected as a basis for the estimates of non-Federally inspected slaughter have been very inadequate. For a time, until slaughter controls were discontinued, the Bureau undertook to tabulate and summarize data on a cost reimbursement basis for the Office of Price Administration on slaughter in non-Federally inspected plants. This was done in order to build up some background data to gauge the volume and importance of the various classifications of non-Federally inspected slaughter.

On the basis of this exploratory work and study of available records to date, the Bureau believes it possible to undertake the proposed monthly estimates of non-Federally inspected slaughter. These estimates would be based on voluntary returns for slaughterers reporting the number of head and total liveweight of animals slaughtered. Schedules would be mailed to slaughterers at the end of each month, and a report showing the number of head and liveweight of each species slaughtered, by States and for the United States, would be published sometime during the month following the date to which the report relates.

- (2) Estimates of farm slaughter. In order to obtain fully rounded information on livestock slaughter, a project designed to provide monthly estimates of slaughter on farms would also be inaugurated. Information on farm slaughter will be obtained from crop and livestock correspondents, and estimates by States of the number slaughtered and the total liveweight would be prepared. Estimates would be made also of the amount of lard rendered on farms.
- (3) Annual report on locker-freezer plants. Because of the increasing importance of locker plants in the slaughter and storage of meats, surveys will be made to obtain a record of slaughter at these plants.

(c) An increase of \$27,000 for expanding poultry statistics.

Problem and its Significance: The production of poultry and eggs has developed into one of the leading agricultural industries of the United States. The annual gross income from the industry has been over 3 billion dollars during the past 2 years. During the war the production of chickens and eggs was greatly expanded to meet the demand of the armed forces, for lend-lease and to supply the civilian population. As the interest in poultry increased a demand arose for more complete poultry and egg statistics to help the industry in coordinating its program of production and gear it to a postwar economy.

This Bureau has made steady progress in the development of poultry and egg statistics, but has been able to apply comparatively little attention to several quite important aspects of the industry, for which additional or expanded reporting services have been repeatedly and urgently requested by the Associated Poultry and Egg Industries. These needs include more timely estimates and reports on production, disposition and marketings of chickens, turkeys and eggs, more detailed reports of hatchery operations, and reports on the specialized features of commercial broiler production. The present request for added funds for new work is limited to the desired improvement in estimating services pertaining to the expanding commercial broiler industry.



Plan of Work: Because of the increasing demand for poultry meat and its importance as a sizable part of our national meat supply, more complete knowledge of broiler production, concentrated in commercial areas, is particularly needed. To meet the needs, a monthly report will be undertaken to furnish quantitative indications of the volume of broiler production in all of the more important commercial areas. The data for these reports will be secured through monthly inquiries to producers and other informed sources in these areas, and by reference to other sources of check data and records which may be available. The mail inquiry work will be supplemented by investigative travel within the areas by qualified statisticians in the State offices. Data will also be collected, and reports issued, on weekly commercial broiler chick movement in the major areas, as a means of forecasting future commercial broiler production and broiler prices.

(d) An increase of \$170,300 for more comprehensive and detailed information on farm prices.

Objective: To gather more detailed information on prices received by farmers for beef cattle, apples, milk, and poultry products so as to enable the Bureau to publish data in the greater detail needed by producers and their associations, and by the handlers of these products.

Since the estimating problems involved are peculiar to each commodity, they are separately treated in the following statements:

(1) Beef cattle prices.

Problem and its Significance: Average prices received by farmers for all classes and grades of beef cattle have been estimated by States and for the United States since 1910 on the basis of returns from mailed questionnaires. The term "beef cattle" embraces a wide range of qualities extending from canner and cutter cows and off-grade feeder steers, on the low side, to choice to prime beef steers on the top. The nearest comparable price series is the average cost to packers of beef cattle, which is derived from the total liveweight of all cattle purchased by Federally inspected slaughterers and their total cost. The two series are practically identical in concept but cover slightly different livestock populations. The cost-to-packer data apply to slaughter animals only and do not include feeders. Furthermore, they are not available until about four weeks after the end of the month to which they apply. In addition, the cost-to-packer data, by States, cover animals slaughtered within a State and make no allowance for cross-State movement of livestock from farm to market. Experience has shown that average prices reported received by farmers on mailed questionnaires do not accurately reflect shifts in average prices resulting from seasonal and other changes in the grade and quality consist of animals slaughtered.



Plan of Work: To test the representativeness of the series now collected, enumerative surveys will be made each month in about 10 selected States, covering quantities sold and dollars received for various classes of cattle. At the same time, a special questionnaire will be mailed to farmers and dealers in the State asking similar questions so that the data for the two sources will be coextensive. Among the States which may be selected for enumeration survey are : Pennsylvania, North Carolina, Alabama, Indiana, Iowa, Missouri, Texas, Wyoming, Arizona and Oregon.

Field agents will be appointed in each selected State to enumerate purchases of livestock by dealers in typical local marketing centers and from farmers in the area tributary to these local markets during the week immediately following the 15th of each month. The dates to which the data from the enumerated survey would apply will be comparable not only with the period of time covered by the mailings of special price questionnaires but with prices reported on the general price questionnaire. This will provide a basis for the interpretation of data for earlier years and determine the feasibility of enumerative sampling of prices received by farmers throughout the Nation.

## (2) Apple Prices.

Problem and its Significance: At the present time prices received by growers for apples are estimated in most States on the basis of sample data obtained from the regular mid-month inquiries mailed to voluntary respondents. A series of prices has been obtained by this method which has been very useful for index-making purposes and parity computations. However, this series of prices has a limited adaptability to other usages because: (1) The respondents to the mid-month inquiry usually fail to allow adequate representation for the lower-priced fruit sold for processing; (2) The actual proportions of fruit sold for processing, fruit sold in bulk for fresh consumption, and fruit sold packed for fresh consumption that are represented in the returns on average prices cannot be determined; (3) Variations from State to State in the method of selling apples for fresh consumption (proportions sold packed and loose), and in the proportions of fruit sold for processing and for fresh consumption account for a large part of the price differentials between States.

The fruit industry, bureaus of the Department of Agriculture, and other government agencies which use these price data have repeatedly urged that their usefulness be increased by (1) obtaining prices by utilization groups (i.e. packed fruit for fresh consumption, bulk fruit for fresh consumption, fruit for the various types of processing) and, (2) by supplementing these data with estimates of equivalent per unit returns by utilization groups at specific points in the production process (on-tree or at the packing-house door). Prices in the most important apple State (Washington) are now estimated on this basis. Some progress

toward this goal also has been made both in Oregon and California. Representatives of the apple industry have recently requested the Bureau of Agricultural Economics to investigate the possibility of currently stratifying our apple price estimates in all principal areas of production and extending the series back to 1919 on this basis.

Plan of Work: In States such as Washington, information has been obtained from large cooperatives, independent packers, and other handlers which has made it possible to set up series of apple prices by utilization groups, and to estimate equivalent packing-house door and on-tree returns as well. In Eastern and Midwestern States, however, apple marketing is not centralized; growers sell their fruit to a large number of independent buyers and records are dispersed accordingly. The establishment of historical series of prices by utilization groups and equivalent returns in these States will require, therefore, considerable field travel in an effort to locate records of representative buyers and large growers and to assemble data therefrom. Simultaneously, an attempt will be made currently to estimate prices by utilization groups and equivalent returns by means of mailed questionnaires and to check the accuracy of these indications against data collected by the interview method. The geographic coverage of this project will include about 17 States representing about 90 percent of the apple production in the United States.

### (3) Milk Prices.

Problem and its Significance: At a recent meeting with representatives of dairy products manufacturers in Chicago, it was unanimously requested that separate series of prices be estimated for milk sold primarily for fluid use and milk for manufacture. Milk for manufacture should in turn be classified into cheese milk, condensary milk, and other milk for manufacture. Because of seasonal variations in the proportion of milk sales going to each outlet, and in price differentials between each type of sale, the average price received for all milk should be supplemented with separate series of prices covering sales to the fluid milk and the manufacturing milk trade.

At the present time the series cover only average prices received for all milk sold at wholesale.

Plan of Work: The breaking down of the all-milk wholesale price into (1) milk for fluid use and (2) milk for manufacture is feasible. Already in Wisconsin, Oregon, Ohio and a few other leading dairy States such a segregation is being made currently. Under the increase, comparable statistics for at least a ten-year historical period will be prepared eventually for all other States, starting with those of major importance, and kept current on a uniform basis as between States.

In States where data have not been assembled by type of plant, it will be necessary to retabulate the special milk price inquiries mailed monthly from field offices; to further supplement current records with price data submitted on dairy products manufactured reports; and to obtain additional records from dairy plants in some States.



(4) Poultry Prices.

Problem and its Significance: Average prices received by farmers for eggs and for all grades and classes of chickens on a liveweight basis have been collected on a general price questionnaire since 1910. The data have been fairly satisfactory in measuring changes in the income from chickens and eggs, but they fail to give information on price differentials that prevail in local markets as between young chickens, old hens, roosters and broilers. Price supports and ceilings are set on the basis of type and grade of chickens sold, and the present average for all grades is entirely unsatisfactory for appraising the effects of these controls.

Plan of Work: In order to provide the necessary detail on chicken prices, it is proposed that a special questionnaire be mailed directly to poultry and egg buyers throughout the Nation each month. Data on the price per pound (liveweight) and the quantity bought will provide prices by classes of chickens and the weights needed to secure a reasonably accurate weighted average price per pound. Egg prices obtained from this inquiry will provide a test of the representativeness of data now available.

(5) Revision of Prices Paid Index.

Problem and its Significance: The index of prices paid by farmers for commodities, which is the most important part of the parity index, should be revised, not later than 1947. The Administration must meet problems connected with maintaining support price levels now on the statute books. In consequence, the parity index will be brought under more searching scrutiny of persons affected by these determinations. Many improvements in the technique of measuring the general level of prices paid by farmers need to be subjected to critical examination prior to the adoption of a new price index in the postwar parity formula. For example, average quantities of commodities purchased per farm family in 1935-36, obtained from a national survey of farm-family budgets by the Bureau of Home Economics, and subsequently, provide a more recent basis for weights for commodities used for family living than the 1924-29 data now being employed for this purpose. Information now available indicates the advisability of a more complete coverage of commodities bought (e.g. feeder livestock); and the desirability of regrouping some of the items. Relative quantities purchased by farmers in each State, used to combine State prices into U. S. averages in recent years, would be used to reweight price series for earlier years on a basis comparable with the computation of national averages of prices for recent years. Services bought by farmers have been of increasing importance in recent years and should be included in the parity index. Averages of prices paid by farmers for commodities should include prices at chain stores and mail order houses, as well as those at independent stores, the combination to be effected on the basis of relative quantities purchased from each source.



Plan of Work: The Bureau will determine price series to be included, on the basis of their importance from the standpoint of farm expenditures and general interest in prices of specific items; complete necessary revisions in current series; assemble all available data and construct a new index. Much additional data must be gathered and a great deal analytical work performed.

(e) An increase of \$100,000 for gathering more adequate data on farm wages and wage rates.

Objective: To provide for continuing the program of collecting detailed data on farm wages and wage rates begun in the last half of the fiscal year 1945 under an appropriation of \$235,000 carried in the First Supplemental Appropriation Act, 1945. The amount allowed in the 1946 appropriation is only \$119,000, and an additional amount of \$100,000 is needed to more adequately provide for essential phases of the program.

Problem and its Significance: Problems connected with agricultural wages were important in the successful prosecution of the war and continue to be important in the readjustments following the war. In 1944, the number of hired workers averaged about  $2\frac{1}{2}$  million, who with their families make up a population group of perhaps 6 to 8 million persons. Up until the latter half of the fiscal year 1945, when the Bureau's program of collection of farm wage information was expanded, the Department had very meager data on agricultural wages. With the problems of reemploying returning war veterans and workers from war industries becoming progressively sharper, it is also necessary to obtain factual information on conditions which will affect work and job opportunities in agriculture.

Current information about farm wage rates is needed because (a) wage payments are an important element in farmers' operating costs; (b) wages earned by hired farm workers are a major source of income for the 6 to 8 million people in the families of these workers; (c) pending legislation and frequently discussed program proposals call for the inclusion of wage rates in the computations of farm parity indexes; and (d) effective placement of farm workers, and of veterans and returning war workers who are looking for farm jobs; calls for accurate information about farm wage conditions.

There are wide variations in farm wage rates from season to season, from one area to another, and among individual workers. A national survey in March 1945 showed that hired farm workers averaged hourly cash earning of 34 cents for the country as a whole, but varied from 28 cents in the South to 59 cents in the West. Some seasonal workers in special crops had considerably higher earnings than these regional averages. Dry-pack lettuce harvestors in the Imperial Valley of California averaged 93 cents an hour, and citrus pickers in Florida over \$1.00 an hour. Seasonal workers doing similar types of work were paid at very different rates in different areas. For example, citrus pickers averaged only 47 cents an hour in Texas and 61 cents in the Imperial County, California.

These illustrations are taken from the results of the work in farm wage rates which was started early in 1945. Much other information has also been secured relating to weekly wages, housing, meals, and other perquisites furnished farm laborers in addition to cash wages, numbers of workers hired, and types of workers used by farmers. Unless this work can be restored to include the more important operations carried on in the last half of the fiscal year 1945, the Department's information on agricultural wages will not be adequate to meet the needs of policy makers and administrators or to provide adequately the informational service expected of it by farmers, farm organizations, and various other agencies.

Plan of Work: Under the \$119,000 carried in the regular 1946 appropriation, it will be possible to secure limited types of data, mainly through mailed questionnaires, on wage rates hourly and weekly earnings of regular and seasonal farm workers, by regions and for selected States.

The additional \$100,000 will be used as follows:

- (1) To permit resumption during the fiscal year 1947 of quarterly enumerations of a nationwide sample of farms to yield accurate statistics on farm wages and wage rates for the 4 major regions of the country.
- (2) To permit during the fiscal year 1947 the operation of the mailed inquiries to a representative sample of farms to obtain adequate wage statistics by States.
- (3) To permit supplementary investigations bearing on hired labor costs in relation to parity prices and income, on farm labor employment practices, and on wage rates in intensive production areas utilizing large numbers of seasonal or migrant workers.
- (4) To integrate the new information with the Bureau's statistical series and indexes of agricultural wage rates.

The activity will be divided into 3 main subdivisions as follows:

- (1) Enumerative quarterly surveys of Master Sample farms in a national sample of 158 counties. A carefully stratified sample of farms for each of the 4 major regions of the country and for type of farming areas within these has been used. Wages and wage rate information will be secured for the different types of jobs for which regular and seasonal hired workers are employed. The data will show the occupational wage differentials existing in agriculture. The results from these enumerations will also supplement mailed questionnaire returns so as to correct any weaknesses or biases in the mailed returns. Emphasis will be placed on obtaining wage data for regular and seasonal workers on farms specializing in different types of production. To obtain a more complete picture of wage costs in agriculture, information will also be obtained on



housing, meals and other perquisites furnished by farm operators to their hired workers. The published data will show average wage rates by type of worker or occupational category for broad types of farming areas within the 4 major regions. Other published information will include frequency distributions of hired farm workers at various levels of weekly and hourly earnings. A national sample of 158 counties has been developed in the Bureau of Agricultural Economics in consultation with the Bureau of the Census and other agencies, designed for maximum efficiency in providing information. Three enumerative wage surveys carried out on this sample in the calendar year 1945 afforded an opportunity to test this sample, with highly satisfactory results.

- (2) Supplementation of existing Bureau of Agricultural Economics series of farm wage rates with information obtained by mailed questionnaires from a sample of farm respondents. These mailed schedules will secure wage rates and related information for regular and seasonal workers, by States, and more reliable estimates of the general wage rate by States. In combination with the enumerative data, they will provide a means for shifting present wage rate series to the more objective basis of rates actually paid on reporting farms. They will also provide a current set of weights for combining specific wage series in the construction of revised wage rate indexes, and will yield certain additional information. The general plan is to mail questionnaires to about 150,000 farms selected in such a way as to provide a representative cross-section of American agriculture.

- (3) To supplement the farm wage data with new and improved types of information on farm labor and wage rates. This part of the work will be carried on through use of supplementary questions and schedules in the enumerative wage surveys or through special area surveys. These schedules will provide information on farm labor employment practices, sources and types of farm laborers, their working conditions, duration of employment, and job opportunities in agriculture with special reference to returning veterans.

(f) An increase of \$10,615 for placing on a full-year basis in 1947, within-grade salary advancements which are estimated to be in effect for only a part of the fiscal year 1946.

(g) A decrease of \$162,480 representing the transfers from the appropriation "Salaries and expenses, War Food Administration" during the current year 1946 which will no longer be available in 1947. This decrease will be effected by dropping or curtailing a number of statistical reports and services rendered as an aid in the determination of appropriate policies and actions in critical commodity situations, and in the direction of various commodity production, supply and price programs. Typical of the



special services and reports to be dropped will be: Extra compilations to furnish special added details for use in consideration of goals, priorities in the allocation of supplies, and similar matters relating to urgent commodity situations; extra series of county estimates, chiefly prepared by State Statisticians' offices as a service to USDA Councils or agencies on special problems; and a number of special field surveys in specific commercial areas to appraise damage to fruits and vegetables.

#### CHANGES IN LANGUAGE

The estimates include proposed changes in the language of this item as follows (new language underscored, deleted matter enclosed with brackets):

- Change  
No. Crop and livestock estimates: For collecting, compiling, abstracting, analyzing, summarizing, interpreting, and publishing data relating to agriculture, including crop and livestock estimates, acreage, yield, grades, staples of cotton, stocks, and value of farm crops and numbers, grades, and value of livestock and livestock products
- 1 on farms, [in cooperation with the Extension Service and other Federal, State, and local agencies,] and for the collection and publication of statistics of peanuts as provided by the Act approved
  - 2 June 24, 1936, as amended May 12, 1938 (7 U.S.C. 951-957), [\$1,520,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the Budget for the current fiscal year for such salaries and expenses, which several amounts or portions thereof, as may be determined by the Secretary, not exceeding a total of \$149,000, shall be transferred to and made a part of this appropriation: Provided, however, That if the total amounts of such appropriations or authorizations for the current fiscal year shall at any time exceed or fall below the amounts estimated, respectively, therefor in the Budget for such year, the amounts transferred or to be transferred therefrom to this appropriation and the amount which may be expended for personal services in the District of Columbia shall be increased or decreased in such amounts as the Director of the Bureau of the Budget, after a hearing thereon with representatives of the Department, shall determine are appropriate to the requirements as changed by such reductions or increases in such appropriations or authorizations] \$2,144,000: Provided [further], That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intention of farmers as to the acreage to be planted in cotton[~~1~~:
  - 3 Provided further, That], or for estimates of apple production [shall be confined to] for other than the commercial crop.

The first change proposes that the language contained in the appropriation item in the 1946 Agricultural Appropriation Act, relating to cooperation in effectuating the purposes for which the appropriation was made, be deleted in the language of the 1947 fiscal year estimates.

The sole purpose of the proposed deletion of this language from the appropriation is to shorten and simplify the item. The clause proposed for deletion is considered surplusage and, therefore, need not be retained in the annual appropriation act, the cooperative work being authorized by the Act of May 15, 1862 (5 U. S. C. 511), establishing the Department of Agriculture, as further implemented by the Act of July 24, 1919 (5 U. S. C. 563-564). Elimination of the language from the annual appropriation act will not--in any way--change the scope or character of the work performed under this appropriation item, or the authority of the Department to cooperate with other agencies, institutions, organizations, or others in the conduct of such work.

The second change involves the deletion of all the existing language providing for and relating to transfers of funds to this appropriation from other appropriations or authorizations of the Department, since the recommended 1947 estimates contemplate no such transfers.

The third change combines the last proviso of the appropriation item, relating to estimates of apple production, with the proviso immediately preceding it, and eliminates an objection which might otherwise be made that the proviso relating to apple production estimates is legislative in character.

(Continued on next page)



WORK UNDER THIS APPROPRIATION

Objective: To gather the basic data and to make the official estimates and reports on the Nation's agricultural output, covering a wide range of subjects. These include present and prospective production of all of the principal crops and classes of livestock, livestock products, dairy and poultry products, farm and non-farm stocks, utilization, prices received and prices paid by farmers, farm employment and wages, and many types of related information.

In addition to the normal, peacetime uses made of these basic data by farmers and everyone else concerned they furnish, whenever needed, an essential part of the background for such purposes as establishment of production goals, control of commodity supplies, and apportionment for domestic and foreign needs, commodity price control through ceiling and support prices, and other programs relative to the effective use of our national agricultural output. The data also supply the basis for further study and reports on maximum production capacity and production adjustments, on food and feed supply, on livestock slaughter and marketings, on drought and other weather emergencies, and other major agricultural problems.

The Problem and its Significance: There is a vital and increasing need for current, detailed statistics on agricultural production and related subjects as a basis for sound, intelligent Government action on agricultural matters in the postwar period. The Bureau is being called upon to furnish the action agencies of the government with more detailed facts, including greater segregation of the estimates for areas smaller than a State. New information on minor crops is being called for because of the important place many of these have assumed in the present situation. Among the fields for which basic estimates and data are most urgently needed are in connection with administrative analyses and individual farm operations under the programs for determining maximum needs of foods and staples and increasing the production of essential crops; providing for the transportation and storage of grain crops and the handling of expanded marketings of other farm commodities; appraisal and loan operations; and price support measures.

The Bureau of Agricultural Economics serves as the economic fact-finding agency of the Department, and under the law is the governmental agency charged with making all primary estimates on current and prospective production of American agricultural products.

Plan of Work: Through the Washington office and 41 field stations, the Bureau maintains a crop and livestock estimating service which gathers data and published periodic reports on agricultural production, and related data covering more than 100 crops and classes of livestock. In 32 States formal cooperative agreements are in effect under which State agencies contribute to the joint operation of the offices or furnish assistance in preparing the State reports. Eight additional States cooperate in the conduct of the service of manufactured dairy products. During the current year the States participated in the work to the extent of approximately \$360,000.



More than 300,000 voluntary farmer reporters furnish current, local information regularly, an equal number report on their own crop and livestock operations at some one period during the year, and large numbers of local merchants, mills, elevators, ginners, dairy products manufacturers furnish reports on prices, stocks, quantities of commodities processed, and other data at regular intervals.

The Crop Reporting Board and other staff members apply proven statistical methods in analyzing the data and preparing the reports on all of the large number of commodities covered. Many special tabulations and analyses are made at the request of other Branches of the Department and other agencies of the government for use in meeting various current problems and situations. The Bureau of Agricultural Economics acts not only as a fact-gathering body, but also serves as a clearing house for statistical information and economic interpretations and analyses, and in its capacity as a staff agency, aids in the formulation of Departmental programs.

Examples of Progress and Current Programs: The following is a statement of important developments under the appropriation for crop and livestock estimates:

Cotton statistics: Cotton reports, prepared and published as prescribed by law, consist of estimates of acreage in cultivation on July 1; condition, and forecast of production and yield as of the first of each month from August to December; estimates in September and December of abandonment of acreage; preliminary revisions in acreage in December; and final revisions of acreage, yield and production estimates the following April.

During the past year, county estimates of cotton acreage, yield and production in 1944 were prepared covering more than 1,000 counties in the 19 cotton producing states. The estimates for these counties have been supplied to the Production and Marketing Administration, including the Field Service Branch and the Federal Crop Insurance Corporation, and to the Bureau of the Census. Cottonseed conversion factors by counties were also supplied to the Bureau of the Census for use in computing cottonseed production from the lint production as enumerated by the Agricultural Census. Special monthly inquiries were sent to cotton growers and gin operators throughout the crop season. These crop correspondents returned about 14,000 usable schedules on each cotton acreage survey and an average of 7,000 schedules were tabulated on the monthly production surveys.

The cotton section is continually working toward the improvement of its estimating techniques and the accuracy of its estimates. In the meantime, the length of time required for tabulating and summarizing schedules and making cotton estimates has been shortened. In the general revamping of procedures in trying to adjust to expanding demands for data, various inquiries have been combined, improved or eliminated, to gain maximum conservation of the time of the Cotton Board and the field technicians as a result, excessive pressures built up within the fixed time limits for the reports have been reduced sufficiently to

enable the Board to trim the time required in making its forecasts and estimates without any lessening in the accuracy of the reports.

Memberships on crop goals committees and state war boards have required a considerable time of the staff. Historical material has been furnished to these committees and boards and numerous summaries and computations have been made for their use.

Grain, hay, and forage crops: The county estimates program inaugurated several years ago primarily for Federal action agencies, was continued during fiscal year 1946 on an enlarged scale. County estimates of wheat acreage, yield, and production were prepared for all producing States. Similar data were prepared for corn for 25 States. With the restoration of a Federal crop insurance program providing for insurance on a larger number of crops, a program of county estimates of flaxseed acreage, yield, and production was inaugurated early in 1945, covering 19 flaxseed producing States -- all States for which official estimates are published -- covering the years 1926 through 1944. County estimates of rye acreage, yield, and production were prepared for 6 North Central and Great Plains States for 1942 and 1943, and crop reporting district estimates of sorghum grain production were prepared for Nebraska, Kansas, Oklahoma, and Texas for the years 1943 and 1944.

An extensive program of district estimates of production and farm stocks of wheat, oats, and barley was undertaken again this year (1946), as an aid to solution of grain transportation and storage difficulties. In addition, district estimates of on-and off-farm storage capacity were prepared for 15 North Central and Great Plains States. April 1, 1945 farm stocks estimates, by districts, for wheat, oats, barley, and rye were prepared for 9 Great Plains States -- primarily the areas where transportation conditions were considered most acute. District estimates of wheat production as of July 1, 1944 were prepared for 8 States. District estimates of wheat production -- winter, other spring, and durum, separately -- were prepared for 8 Great Plain States. County estimates of soybean acreage and production were published for 18 States.

To meet the need for current facts on protein feed supplies, the Bureau began the collection of information regarding the production and distribution of meat scraps and tankage. All known producers of these products were circularized for basic data. The first report issued June 25, 1945 covered production and distribution, by States and groups of States, by quarterly periods from July, 1944 through March, 1945. In addition, data on monthly production and distribution for the United States were included in the release.

Mid-season estimates of popcorn acreage were published for the first time. Also estimates of mung bean acreage, yield, and production were published for the first time for Oklahoma, the principal producing State. A wheat variety survey was made in cooperation with the Bureau of Plant Industry covering varieties planted for harvest in 1944 in all States. After wartime suspension, soil moisture work was resumed in Nebraska and crop meter measurements in several Great Plains States. This work, relating to soil moisture penetration and measurements of crop frontage on fixed routes, is an essential source of objective data for use in estimating crop acreages and yields.



The annual release on Farm Production, Farm Disposition, and Value of Principal Crops for 1943 and 1944 was published in May, 1945. In addition, publications of long-time series of such information were issued for corn, oats, barley, rye, flaxseed, sorghum grain, hay, rice, dry beans, and popcorn, covering in most cases the years 1909 through 1941. These estimates were prepared by States and for the United States. Flaxseed stocks on farms were prepared as of March 1, 1945 in the principal producing States of Minnesota, North Dakota, and South Dakota, as a special service in connection with the greatly expanded flax acreage program in 1945. Results of this survey were used for administrative purposes as one basis for arriving at a negative decision regarding ceiling prices for seed flax. Data regarding methods of harvesting corn were gathered from about 18,000 crop correspondents and published in a release entitled "Harvesting the Corn Crop." This information was very timely and widely used, especially by industries engaged in the manufacture of corn harvesting machinery and other equipment and materials required by farmers.

County percentages of the total acreage of corn planted with hybrid seed were prepared for all corn producing States, beginning with the first year for which hybrids amounted to as much as 1 percent of the total acreage in any county (as early as 1933 in some States) through 1944. These estimates were widely used within the individual States by those interested in the production and development of hybrid corn seed, as well as by the Production and Marketing Administration Field Service Branch and Federal Crop Insurance Corporation in formulating and administering their action programs. As usual, State estimates of the percentage of corn acreage planted with hybrid seed were prepared for the 1944 crop. Information regarding the production of white, yellow and other types of corn was gathered in November for the 1944 corn crop and published in January 1945.

Information regarding planting and harvesting dates of crops, together with other agronomic and phenological facts were assembled to fill an increasingly large number of requests for such information not only from other government agencies such as Federal Crop Insurance Corporation, War Food Administration, Office of Price Administration, and others, but also in response to public demands for this type of information.

All the principal statisticians working with grain, hay, and forage crops were members of one or more different departmental committees engaged in the determination of crop acreage goals, and the allocation of actual or anticipated supplies of each commodity. A large volume of material was furnished relating to current and historical crop acreages and yields for these crops. For use in establishing special dairy payments in drought areas, special drought surveys were made in July and August in a number of southern and eastern States from Texas to New England, relating to crop, pasture, and over-all feed prospects. Statisticians in Kansas, Oklahoma, and Texas made one or more special surveys in July 1944 relating to wheat piled on the ground on and off farms because of the shortage of transportation and storage facilities.



Seed Crops: During the fiscal year 1945, the Bureau prepared and distributed 96 seed reports compared with 88 in the preceding year. These reports covered 31 kinds of field seeds and 263 kinds, varieties, and types of vegetable seeds. In response to requests for information of this kind, 107,000 copies of these reports were mailed by the Washington office and several thousand copies by the field offices. The field office mailed about 150,000 seed schedules and the Washington office nearly 42,000, or a total of 192,000 schedules. The principal seed reports are production forecasts, price and movement, and retail prices. A disposition report covering the 6 major legume crop seeds (alfalfa, red clover, alsike clover, sweetclover, lespedeza, and timothy) was issued for the second consecutive year. It proved so valuable to current administrative actions, particularly with reference to red clover, that it may be necessary to repeat each year.

A report pertaining to blue-lupine seed was issued for the first time this year. This crop is becoming of increasing importance as a winter-cover crop in Florida and in southern portions of Georgia, Alabama, Mississippi, and Louisiana.

Supplies of field seeds large, but requirements greater: Supplies of 26 kinds of field seeds covered by reports of the Bureau totaled a little more than one billion pounds of clean seed, compared with about 940 million pounds in the preceding year, and the 5-year (1938-39--1942-43) average of 830 million. Although supplies of these seeds in 1944-45 were about 13 percent larger than in 1943-44, and 26 percent above average, requirements were relatively greater than available supplies. The farm value of the 1944 crops of the 26 field seeds, totaling 119.6 million dollars, was one-fifth more than the value of the 1943 crops, and twice the 5-year average.

Vegetable seed surveys begun in November 1940 were continued during the year, in the programs of reports supported by a special allotment of funds for the purpose. The data obtained in these surveys were of the greatest value to the Commodity Credit Corporation, largest buyer of vegetable seed in the world, chiefly in connection with its procurement of these seeds for Lend-Lease. When it appeared from the surveys that supplies of certain kinds or varieties of vegetable seeds needed by our Allies were getting short and planting intentions of growers presaged a production likely to be under domestic and export requirements, the Commodity Credit Corporation entered into contracts to produce these seeds. On the other hand, when our data indicated larger prospective surpluses of certain other seeds, the Commodity Credit Corporation discontinued making -- or canceled -- growing contracts for these seeds. This saved the Government thousands of dollars because the seeds could be purchased on the open market for much less than under contract. Furthermore, they prevented the accumulation of burdensome and costly surpluses.

Most meetings of the seed subcommittee of the Requirements and Allocations committee were timed so as to be held immediately after new vegetable-seed data became available. Allocations to our Allies were often increased or decreased if the survey reports showed more or less

and also considerable time on the part of the offices in each of 18 States. Including the "disaster" and special stocks surveys, a total of about 120 special estimates on a State basis were made for potatoes during 1945.

Commercial truck crops for fresh markets: The reports for commercial truck crops for the fresh market covered 27 crops. The estimates were prepared in seasonal sequences; that is, for winter, spring, summer and fall production of each of these crops. Additional information of a seasonal nature is shown (when necessary) by making estimates for sub-seasonal groups, such as early spring, midspring and late spring production. At present a total of 12 major and minor seasonal groups is employed for showing available and prospective supplies in the various States and regions.

On the average, 4 seasonal classifications were required per crop for the fiscal year 1945. In each of these classifications estimates were prepared and published, on a State basis, on acreage, condition of the crop on the first of the month during the growing season, and prospective yields per acre and production on a monthly basis. The program required an average of 3 monthly forecasts of production for each crop in each seasonal group. In December, revisions of acreage and yield estimates were made for each crop, by States and seasonal groups.

Supplementing the monthly estimates of prospective production, a textual summary of crop conditions in each State and for each crop, was prepared and released twice a month simultaneously by Washington and the 35 State offices where commercial truck crops are important and of considerable interest. These summaries were designed to keep growers, distributors and consumers informed regarding progress of commercial truck crops in each important area and, in a general way, concerning the relative abundance of prospective supplies. Truck crop News reports were released within a week of the date on which information was collected in the field and proved as popular and helpful in war times as they were in prewar years.

The regular program of commercial truck crop estimates required in the fiscal year 1945, a total of about 16,000 estimates, on a State basis, to fulfill minimum needs for current information on the supply and price situation. In addition, the preparation of the semi-monthly Truck Crop News notes probably required an equivalent amount of time and effort as the preparation of the 16,000 quantity estimates.

During the fiscal year 1945, a total of 34 formal requests were received from the War Food Administration for special surveys to determine crop damage, the number of States involved in each survey varying from 1 to 12. Usually one crop was involved, but in some cases blanket requests were received for a survey of damage to all crops growing in a particular State. The results of a survey were usually forwarded to the War Food Administration and Office of Price Administration within 3 days after the request was received.



In addition to the regular program a large volume of special work was performed for the War Food Administration, Office of Price Administration, and other Government agencies including 125 special estimates on a State basis. Typical of these were a survey of codling moth damages to apples in 13 States, a special survey to determine the prospective percentage of substandard prunes in California, a survey of hurricane damage to oranges, grapefruit and tangerines in Florida, and a survey of spring freeze damage in April, which followed the unusually high temperatures of March, 1945. Altogether, about 35 special fruit surveys were made at the request of the War Food Administration.

Fresh vegetables: The amendment of emergency price control statutes, by insertion of the "disaster clause", added materially to the heavy load of emergency work which the Bureau was already carrying in estimating the perishable crops. This clause makes it mandatory that the Administrator of the Office of Price Administration take prompt action in adjusting price ceilings whenever merchantable yields of fruits and vegetables are reduced substantially below average by weather and other factors. Requests by growers for disaster adjustments of price ceilings necessitated numerous special surveys of damage by the field statisticians, on short notice. Performance of this new work resulted in neglect of the regular program of work because a large part of the time of a limited staff of trained personnel available had to be used in making these special damage surveys. At the same time there was a continuation of the urgent prewar demands for more specific information on prospective supplies of fresh vegetables in competing areas, the probable rate and time of flow of the produce from these areas to market, and the extent to which these perishable crops were in surplus supply in various States or areas.

Potatoes and sweetpotatoes: A supplementary program of reports on acreage, yield and production for the commercial early segment of the potato crop was carried out for each of the 19 States that produce potatoes for the early market. This production consists of commercial supplies produced for market in the winter, spring and summer months. The regular program of reports on potatoes and sweetpotatoes required the preparation and publication of nearly 1,700 separate estimates on a State basis.

The Bureau received 25 requests during the fiscal year 1945 from the War Food Administration for special "disaster" surveys on potatoes as a means of determining the ceiling price adjustments to which growers might be entitled in the affected areas. In complying with these requests a total of 45 State surveys were required. Estimates of damage were usually forwarded to the War Food Administration within 2 or 3 days from the time the requests were received. This was part of the work financed primarily from the appropriation "Salaries and Expenses, War Food Administration."

Four special potato stock estimates were issued for each of the 18 surplus late potato States and for the "other late" and "intermediate" States as separate groups. The preparation of these special stocks estimates required a total of 42 man days among the Washington staff



and also considerable time on the part of the offices in each of 18 States. Including the "disaster" and special stocks surveys, a total of about 120 special estimates on a State basis were made for potatoes during 1945.

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Vegetables for processing: Definite efforts were made by the Department to encourage the production and processing of large quantities of vegetables and Government programs were inaugurated to insure the payment of adequate prices to growers and to subsidize processors. Statistics on probable production of processing vegetables, therefore, together with data on prices received by growers for the production of these vegetables, became more important than at any time since World War I. Accuracy of estimates dealing with prospective supplies was vital because the equitable allocation and rationing of forthcoming supplies depended entirely on the dependability of the estimates made by this Bureau.

Most of the information used as a basis for the estimates of acreage, yield per acre, production and price to growers was furnished voluntarily by approximately 2,000 commercial processors, who grow 85 to 90 percent of their vegetables under contract with growers. Nearly 10,000 schedules were received from processors during the year and approximately 3,500 estimates, on a State basis were made.

Because of the intense effort required for the preparation and timely release of estimates, there was very little time left for the study of new methods and improvements in the regular program of work. However, much needs to be done in this field, particularly on the problem of formulating a coordinated program in States where vegetables are grown on the same acreage for both fresh market and processing.

Tobacco, peanuts and sugar crops: New techniques were developed and new procedures practiced in estimating the yield of the 24 different types of tobacco. The uses and characteristics of the several classes are so divergent that separate estimates for each type in each State are required. These estimates and analyses of conditions have been in constant demand.

A 48-page bulletin was prepared giving the record of peanut milling statistics from August 1938 through August 1944, the first of its kind ever published. This handbook made readily available all pertinent data on commercial peanuts and has proved invaluable to the peanut industry and related industries as well as to the Government and the public.

Sugar beets, sugarcane for sugar, sugarcane for sirup, sorghum sirup, and maple products, each with its distinctive problems, have been handled substantially as in past years. As was the case with the other crops, charts were maintained, the data analyzed, recommendations considered and estimates established for the several reports in the seasonal program for each crop.

The production totals for peanuts, for the principal types of tobacco, and for the sugar crops, are known each year because of the availability of mill check data or sales data. This makes it necessary to re-analyze all data in the light of known production, in order to determine more accurately the acreage changes that took place and the yield per acre that was actually harvested.



Livestock and meat production: War time regulations of livestock slaughter and meat distribution such as slaughter quotas, set aside orders, meat allocations and rationing and price control of livestock and meats, emphasized the essential need of dependable figures on livestock slaughter and meat production, both as to total quantities and in the different kinds of establishments by which livestock is slaughtered and meat is distributed. Recently the Bureau has completed making over-all estimates of meat production in terms of dressed weight.

Prior to 1944, the only actual records of livestock slaughter were those covering operations in Federally inspected plants - with all other classes of slaughter estimated on the basis of very meager information. However, through the licensing of all kinds of slaughtering plants, as a war measure, monthly records have been obtained from the different classes of these plants. This Bureau has tabulated the information for statistical purposes as a part of the work financed by War Food Administration funds. If authority and funds are obtained it is the intention of the Bureau to continue the project on the basis of voluntary sample returns and to make monthly estimates of slaughter and meat production. Such an undertaking has the support of all segments of the slaughter industry, as well as that of livestock producer and general farm organizations.

Decided progress was made during 1944 and 1945 in furnishing more complete information on cattle on feed for market. As of January 1, 1945 estimates of the actual numbers on feed in all important winter feeding States were published for the first time, together with more information on kinds of cattle on feed and intended months of marketing. It is the intention to expand the cattle on feed estimates to four a year, as of January 1, April 1, July 1, and October 1, instead of the present three - June, April, and August, and to make actual estimates of numbers with significant information on kinds of cattle on feed, intentions to market and feeding intentions for the following period. Eventually it is hoped that a complete balance sheet of cattle feeding operations by quarters can be made, showing the number at the beginning, number moved into feed lots, number sold out of feed lots and number remaining.

Dairy statistics: The most notable illustration of the special services for the war agencies is the office set up in Chicago in March 1943, to collect and audit reports on the set aside programs of the War Food Administration for butter and Cheddar cheese, the limitation order on the production of ice cream and other frozen dairy foods, the limitation order on the production of cheese other than Cheddar, cottage, pot, and bakers'; the rationing programs of the Office of Price Administration on butter, cheese, and evaporated milk; and later, the subsidy programs of the Defense Supplies Corporation and the Dairy Products Marketing Corporation. The work of the Chicago office was financed in part by regular appropriations to the Bureau of Agricultural Economics, in part from "Salaries and Expenses, War Food Administration," and in part by funds from other agencies (indicated above) interested in the subject matter being produced.



The staff of the Chicago office mailed, collected and processed approximately 445,000 individual returns from about 12,000 dairy plants in 1944-45, distributed as follows:

	<u>Schedules</u>
Dairy Products Report No. 1 (Basis report for all cooperating agencies)	140,000
Dairy Products Report No. 2 (Butter set aside, WFA)	35,000
Dairy Products Report No. 3 (Cheese set aside, WFA)	24,000
Dairy Products Report No. 4 (Limitation on ice cream, WFA)	42,000
Authorized cheese assemblers' Report (WFA)	4,000
Authorized Butter Receivers' Report (WFA)	3,000
Butter Subsidy Applications (DSC)	42,000
Rationing Report on Dairy Products (OPA)	72,000
Weekly Butter Report (BAE)	46,400
Weekly Cheese Report (BAE)	31,200
Weekly Cheese Warehouse Report (BAE)	5,200
Monthly Prices on Dry Milk (WFA)	600

In addition, the Chicago office compiled statistical data on the weekly and monthly production of manufactured dairy products, and issued public releases as follows:

	<u>Copies</u>
Monthly Butter and Cheese Production Report	32,400
Weekly Cheese Production Report	75,871
Weekly Butter Production Report	95,946
Weekly Warehouse Report	57,744

In the work relating to farm dairy production, the Bureau continued to collect and publish basic data on milk production and related factors and to direct a great deal of attention towards supplying special items needed for the war effort. National milk production estimates for each month, along with average daily milk production per cow on the first of each month in herds kept by about 22,000 crop reporters and much additional information were published regularly in the monthly Crop Production Report.

State estimates of monthly milk production were continued for the nine States for which they were already being prepared prior to July 1, 1944, and were completed and published for six additional states, bringing the total number to fifteen. Material progress in preparation of monthly milk production estimates was also made in Minnesota, North Carolina, and Montana where it is expected data will soon be ready for publication.

Special summaries of information relating to the feeding of milk cows were prepared and published during the year. The 67-page release

"Rations Fed to Milk Cows" issued in January 1945 brought together data on amounts, kind, and cost of concentrated rations fed to milk cows during the past dozen years along with milk-feed and butterfat-feed price ratios. Special estimates were included relating to the amount, kind and value of concentrate rations fed in the calendar year 1944.

The collection of data on production of farm-churned butter in the 1944-45 fiscal year was more comprehensive than in any previous year. In 13 Southern states where this product is an important item of milk use, first-of-the-month reports were obtained from 5,000 crop correspondents as to their production of farm-churned butter in the preceding week and the amount sold.

Monthly data on the production of 35 individual manufactured dairy products were gathered from more than 12,000 individual plants, and published, as well as current monthly reports on production, prices, sales, stocks, etc., of some of the most important dairy products.

In the enumeration of ice cream production in the manufactured dairy products survey, a breakdown was made in ice cream produced for wholesale and for retail. Altogether some 3,500 reports were received from relatively large wholesale manufacturers and 12,500 small producers. The data obtained through the annual enumeration of manufactured dairy products were published in a 17-page mimeograph release for the preliminary results in July 1945, and a 40-page multilithed publication with the final data several months later.

Cooperative agreements with various state agencies are maintained in 27 states for the purpose of collecting manufactured dairy products data through a joint Federal-State inquiry. This eliminates duplication between State and Federal activities. Approximately 58,000 schedules were used in this inquiry.

Some work was also done in refining the report on Fluid Milk Prices covering about 125 city markets, but much is yet to be done. It is strongly felt that the report should be expanded to include a larger number of markets so that every geographic region may be properly represented. Relative proportions of milk utilized in the various classifications and an index of monthly fluid milk consumption as a measure of milk utilized in the bottle classification are some of the improvements for which the trade has expressed a desire.

During the year, almost 10,000 schedules were mailed to Boards of Health in towns of 25,000 population or less to obtain data on consumption of fluid milk and cream consumed as such.

Poultry and eggs: The program of poultry statistics includes about 80 different reports a year comprising close to 20,000 monthly, seasonal or other periodic State estimates, relating chiefly to the production of chickens and eggs, turkeys, commercial broilers, liquid, frozen and dried eggs, by various classifications, and eviscerated and canned poultry. Monthly reports of commercial hatchery operations, also make up an important segment of the program. Continued emphasis has been given



to enhancing the usefulness of the whole series of reports, through improved statistical techniques and expanded detail. In addition, many special services have been performed in connection with government purchase programs and price and other control actions. As one example, special weekly reports were inaugurated early in 1945 to furnish current indications of total chick movement in 5 major areas of concentrated commercial broiler production. This information was needed by the War Food Administration and the Army, to effectively carry out the chicken purchase program under War Food Order 119, which restricted chicken sales in the 5 designated areas.

Much of the data used in the preparation of the basic estimates on poultry and egg production, sales, prices and value are obtained through the regular monthly reports of crop correspondents to the Crop Reporting Board, the monthly returns of price correspondents, and the individual farm reports secured through the several extensive surveys made each year, covering all livestock species. Additional lists of special character include one made up of 8,500 commercial poultrymen from whom an average of 2,000 schedules are received each month, a list of 10,500 commercial hatcherymen, who return an average of 2,000 reports each month of the main hatching season, tapering off as operations shut down, and 330 egg-breaking establishments and 75 canning plants which furnish practically a hundred percent return of reports each month.

State estimates are issued monthly on numbers of layers on farms, the rate of lay, and total egg production. Estimates of the number of chicks and young chickens on farms on the first of the month are reported from April through July, and the number under 3 months of age, in September. Estimated numbers of pullets not of laying age are reported as of the first of the month from August through February. The composition of farm flocks is reported as of October 1 and January 1, and an annual summary of production, disposition and income from chickens and eggs is issued in March. Intended purchases of baby chicks are reported on February 1. The monthly reports from commercial hatcheries include such items as their egg capacity, the number of eggs set, chicks hatched, sexing of chicks, and bookings.

Two main inquiries are addressed to turkey producers during the year, one relating to the intended production of turkeys as of January 1 and the other - as of August 1 - to secure a preliminary indication of the size of the turkey crop by States. For these inquiries about 40,000 turkey producers are canvassed and nearly 7,000 returns are made to each inquiry. A final report on turkey production, disposition and income is prepared at the end of the year, issued in March.

New work during the year included the publication of the results of three nationwide surveys, presenting extensive data by States on commercial hatchery operations, on the types and breeds of chickens, and on the kind and amounts of feed fed to layers on farms. The hatchery survey represented practically complete coverage of 10,500 establishments, about two-thirds of which made their returns by mail. The summary of this survey, issued in Statistical Bulletin No. 81, provides a more recent basis for monthly and annual estimates of chicks hatched.



The other two surveys were made by mail inquiry to about 100,000 poultrymen in each instance, with an average return of 35,000 reports for each.

The results of the latter surveys have been invaluable in providing up-to-date knowledge on types and breeds and feeding practices. These data have been greatly needed in improving the scope and accuracy of the current estimates in meeting present-day needs and actions affecting one of the most important farm enterprises, whose products rank fourth in farm income, exceeded only by milk, cattle, and hogs. Data are now being collected on the amount of feed fed monthly to layers on farms. These data will be used in preparing a monthly report showing the cost of a farm poultry ration, the amount of feed fed per layer and per dozen eggs and the spread between the cost of feed fed per layer and the value of eggs produced.

Bees and honey: A moderate program of reports is maintained on bees and apiary products, including basic annual estimates, by States, of the number of colonies, yield of honey per colony, pounds of honey and beeswax produced, and wholesale and retail prices of honey. These appear in a report issued early in February, which also furnishes some data on December 15 stocks of honey for sale, and pounds per colony of honey left for bees. About 6,000 apiarists make reports, representing 450,000 or more colonies - roughly 9% of the total in the country. Other reports include one on the number of colonies, and the condition of bees and of nectar plants as of July 1, or near the beginning of the honey season; a forecast of the current season's honey production, and an estimate of stocks on hand for sale as of September 15; and an annual summary in March of the monthly shipments of package bees and queens, a practically complete survey for the 6 major States. These series of reports have been materially improved since 1940, but apart from meeting some special requests of war agencies, comparatively little attention could be allotted their further development except in improving coverage and accuracy.

Prices paid by farmers: During the year, a total of about 110,000 schedules from independent stores were tabulated covering retail prices for clothing and dry goods, food and household articles, furniture, building material, machinery and equipment, motor supplies and services, automobiles and trucks, and feed, seed and fertilizer. On the basis of these reports, estimates of prices paid by farmers were prepared currently for 456 commodities. Of these 74 were prepared each month, or monthly in season, 160 were prepared quarterly, 105 semi-annually, and 117 were prepared only once during the year. Indexes were published currently, by months for (1) prices paid for commodities used in family living, (2) prices paid for commodities used for farm production, (3) prices paid for all commodities, (4) prices paid for commodities, interest, and taxes, and (5) prices paid for feed. In addition, indexes were published quarterly for 10 important groups of commodities.

On the basis of an average of 624 questionnaires returned by chain stores each month, changes in prices for important items in the index were estimated each month. These indications were used to prepare current

monthly estimates of prices for the construction of index numbers of prices paid for family living and for farm production commodities. Average prices paid for articles bought from mail order houses were estimated during the year on the basis of catalog prices and approximate transportation costs to the various States, for 20 clothing items during the past 2½ years, and for about 30 additional items in the spring and summer season of 1945.

Poultry ration costs and poultry-feed price ratios were computed by months for the United States from 1924 to date, and by States from 1941 to date. Publication was continued of State average prices paid by farmers for 4 important feeds, national average prices paid for 16 feeds, and geographic division average prices for 21 clothing and dry goods items. Prices paid for 4 types of motor service were obtained for the first time in June, 1945.

During the year also the publication currently of national average prices paid by farmers for 135 commodities included in the index was started. Averages for the 5-year period, 1935-39, and price for all available quarters from March, 1939 to date were published. These data are published currently in "Agricultural Prices." The "prices-paid" project is of a continuing nature and indexes and prices published currently provide data for the computation of parity prices, production costs, and related uses. In July, 1944 the index of prices paid, interest, and taxes was revised from 1930 to date because of the necessity for downward revisions in the index of interest payable per acre, which resulted from the very rapid wartime liquidation of farm mortgage indebtedness.

Prices received by farmers: During the year the regular program of reports on prices of 165 farm products was continued. Average prices received by farmers for 50 agricultural commodities were published in "Agricultural Prices" each month, by States. National averages of monthly prices of 48 products were summarized in this report each month; national parity prices were included each month for 31 commodities, and in June and December for the entire list. Index numbers, commodity-feed ratios for hogs, chickens, eggs, turkeys, milk and butterfat also were shown regularly. Final season average prices for major crops were included currently in the report at the end of the marketing season for each crop, as well as annual average prices of livestock products. In addition, in December, 1944 and June, 1945 a summary statement of "Parity and Average Prices Received by Farmers for Agricultural Commodities" was included which contained parity and comparable prices for 165 commodities together with season average prices for the same items. Data used in estimating monthly prices were obtained through 41 field offices who mailed an average of 31,108 questionnaires and tabulated 11,477 returns each month. Season average prices were released for 65 major crops in connection with the value of production report published in December, 1944.

Estimates of inventory values of 7 species of livestock and poultry involving estimates of 22 age and sex classes, and annual average prices for 15 livestock and livestock products were published. Although the



basic estimates of average prices apply to all classes or grades of the commodity and all methods of sale the standard fruit price series have been supplemented with estimates of actual prices and equivalent returns for type of sale and utilization groups. Using one crop in one State as a unit, prices by utilization groups were obtained for 50 units (34 deciduous, 16 citrus) while equivalent packing-house door returns were obtained for 35 units, and equivalent on-tree returns were obtained for 32 units.

New series presented for the first time included prices by utilization groups and equivalent returns for apricots, sweet cherries and peaches in Washington; and sweet cherries in Oregon from 1938 to date. A procedure for obtaining fruit prices by utilization groups in all states also was drawn up. The additional data contemplated under this plan would result in much more comprehensive, useful and accurate fruit price estimates.

The Bureau of Agricultural Economics is cooperating with the Bureau of the Census by again furnishing county price estimates to be used to evaluate production and inventory items enumerated in the recent agricultural census covering the crop year 1944. This arrangement has enabled the Bureau of the Census to eliminate most price and value questions from its agricultural census schedules, thus reducing the size of the schedule otherwise required by roughly one-third. Ninety-one agricultural commodities are to be evaluated and a total of nearly 200,000 county price estimates are to be made in connection with this project.

"Prices Received by Growers for Fruit and Nut Crops by Type of Sale and Utilization Groups," -- a 66 page bulletin -- was published, containing price series for 35 fruit and nut crops extending as far back as 1909 in many instances, and a complete summary of fruit and nut parity prices. These basic data were very timely in serving many useful purposes as in the establishment of 1945 fruit and nut price ceiling and support prices, as well as for the evaluation of sales and for other analytical purposes.

Farm labor: A special project to collect detailed wage statistics was provided for under a supplemental appropriation. Two nationwide enumerative farm wage rate surveys in a random selection of areas in 158 counties, in March and May 1945, and 35 enumerative surveys of farm wage rates in special crop areas with high seasonal labor requirements, were made during the year ended June 30, 1945. In addition to the supplementary information on wage rates, the principal contribution of these surveys to statistical annals were the data on hours worked and weekly earnings of hired farm workers.

In each of the two national surveys around 12,000 farmers were visited, State statisticians in all States edited the schedules enumerated during these surveys and also tabulated and summarized selected items for current publication from the first survey. These summaries were used in Washington to prepare the preliminary summary of returns, published in the Farm Labor Report.



The special enumerations of farm wage rates were made in selected individual crop areas. Thus far, the results of these surveys have been released in the Farm Labor Report for the following crops and areas: citrus fruit and strawberries in Florida; citrus fruit and spinach in Texas; citrus fruit and vegetables in the Imperial Valley of California; strawberries and snapbeans in Louisiana; strawberries in North Carolina; lettuce in Arizona, and asparagus in Washington.

Survey of agriculture: The first quarterly Survey of Agriculture in a 101 county sample was made in April, 1945. This survey contained questions relating to current farming operations, marketings, costs, etc., and also secured some data supplementing the standard series on farm labor statistics, on farm employment, hours of labor, wage rates and amounts expended by farmers for labor.

Numbers of farms and land in farms: A considerable amount of attention and study has been given to the problem of developing usable series of estimates of total acres of land in farms and total number of farms. State statisticians were asked to prepare series of indications on land in farms and number of farms for each year during the period 1929 to 1944 inclusive. Indications and recommendations as submitted by the State offices were carefully reviewed by Washington statisticians and preliminary state estimates were adopted. The indications and estimates cannot be considered as being highly accurate but it is hoped that they may be used as a starting point for developing an adequate series of estimates and for setting up a program which will provide useful annual indications of changes in farms and farm land utilization, by States.

Certain Work-Load Comparisons: The increases in the 1947 budget for "Crop and Livestock Estimates" are based on the estimated time it will take technical men and clerks to perform the additional labor involved in the increased program. In general the increases are requested for the purpose of filling gaps in the statistical picture with relation to certain important crops and species of livestock.

In most cases the work is an expansion of existing activities. New data may be obtained by adding questions to schedules already in use, or by the use of new schedules. A number of the proposed activities will require extensive field contacts and investigations. In some cases the added information is to be obtained by more frequent coverage of the subject of estimate. For example, quarterly data will be obtained for farm stocks of various kinds of hay, in place of the present annual estimate. The new inquiries will be integrated with other estimates now regularly issued. Initiation of the work will require advance research work by technical men in many of the States. If wholly new services were to be inaugurated it might be possible to state just the number of schedules and other means to be employed in securing the data. However, since all the increases are dovetailed into an already going program it is difficult to show detail of costs except as additions to current work, very largely in man-power and travel. For several of the most common and tangible items indicative of workload volume, the following estimates represent the nearest approximations that can be drawn for the total program on the expanded scale proposed:

COMPARISON OF CERTAIN WORK-LOAD DATA  
Fiscal Years, 1944, 1945, 1946 and Estimates for 1947

	<u>Fiscal Year</u> <u>1944</u>	<u>Fiscal Year</u> <u>1945</u>	<u>Fiscal Year</u> <u>1946 (Est.)</u>	<u>Fiscal Year</u> <u>1947 (Est.)</u>
Separate inquiries mailed to farmers and others	9,169	9,300	9,400	10,800
Copies of schedules distributed	8,270,206	8,252,400	8,325,000	10,000,000
Schedules tab.	2,176,283	2,180,000	2,200,000	2,750,000
Questions per schedule (average)	22	22	22	20
Reports prepared	4,366	4,500	4,600	5,500
Copies of reports distributed	6,541,981	6,600,000	6,750,000	7,800,000
Printed releases distributed	2,492,827	2,500,000	2,600,000	2,900,000
Special inquiries answered by mail	20,000	22,000	23,000	25,000
Special inquiries answered by telephone	27,000	28,000	29,000	33,000
Person interviews (exclusive of enumerations)	13,433	14,000	14,500	14,500
Special county es- timates prepared	203,529	405,000 <sup>1/</sup>	250,000	300,000
Miles of travel within State	594,000	650,000	750,000	900,000

<sup>1/</sup>Includes 200,000 census county price estimates

The current statistics compiled by the Bureau on crops, livestock products, agricultural prices, farm employment and other related subjects are based mainly on sample data obtained through mail questionnaires. The collection and analysis of the data is largely a decentralized operation through 41 field offices, in 29 of which the work is performed in cooperation with appropriate State governmental agencies (25 States) or Colleges (8 States). The basic information used in preparing most of the primary statistics is obtained from reports made by nearly 750,000 different farmers and other well-informed individuals, who are representative of every agricultural county in the U. S. and who report on one or more items during the year.

Every month of the year a general schedule goes out from each of the 41 field offices, the inquiries varying with the season. Approximately 900,000 copies of this general schedule are distributed over the 12-months' period. The July general schedule, as an example, contains 50 questions and covers crop conditions, production of certain crops

for previous years and information on dairy and poultry products, farm labor, wage rates and farm land value. From July to December other special monthly schedules are also sent out in the 19 cotton producing States. Schedules for prices received and paid are sent out each month. The most extensive of the data gathered from mailed questionnaires are the acreage surveys, including mailings of 280,000 questionnaires in March, 375,000 in June, and 670,000 in September, and the livestock surveys which include mailings of 610,000 questionnaires in June and December of each year.

The information obtained from mailed questionnaires is supplemented by data from many other sources, such as State Assessors' enumerations of agricultural information, crop meter frontage measurements, carlot shipments, warehouse receipts, data available through various governmental action programs for regulatory activities, local surveys, personal travel and observations by field statisticians, as well as reports periodically secured from other sources having a knowledge of farming, agricultural production and processing. A great many special reports are required on specific problems throughout the year, such as reports on damage from freeze, floods, hurricanes, etc. Most of the latter are usually made following an immediate personal inspection by experienced field statisticians.

(Continued on next page)



(d) Special Research Fund, Department of Agriculture  
(Allotment to Bureau of Agricultural Economics)

This budget schedule covers obligations under an allotment for economic research on inter-regional competition in the production and sale of farm products; study of relative efficiency with which different crop and livestock enterprises convert labor, land, feed, fertilizers, and other resources into food products; research on the position of the oil crops in American farming; and research on statistical methods used in crop forecasting and estimating to develop improved procedures.

(e) Working Funds (Bureau of Agricultural Economics)

This budget schedule covers obligations under advances, pursuant to Section 601 of the Economy Act of June 30, 1932, for services performed for various agencies as indicated in the following statement of obligations under supplemental funds.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS 1/  
(1945 and 1946 figures include overtime costs)

Item	: Obligations, : 1945	: Estimated : obligations, : 1946	: Estimated : obligations, : 1947
<u>Cooperation with the American</u>	:	:	:
<u>Republics (Transfer from Depart-</u>	:	:	:
<u>ment of State): For interne</u>	:	:	:
<u>training of agricultural econ-</u>	:	:	:
<u>omists from other American</u>	:	:	:
<u>countries 2/ .....</u>	\$3,480	\$27,361	\$45,080
<u>Special Research Fund (Department</u>	:	:	:
<u>of Agriculture): For special</u>	:	:	:
<u>research on economic factors</u>	:	:	:
<u>affecting the farm industry ..</u>	60,806	60,818	59,955
<u>Working Funds (Bureau of Agricul-</u>	:	:	:
<u>tural Economics) Advances from:</u>	:	:	:
<u>Bureau of the Census: Statis-</u>	:	:	:
<u>tics on prices received by</u>	:	:	:
<u>farmers for specified agri-</u>	:	:	:
<u>cultural products, farm</u>	:	:	:
<u>values, and other data .....</u>	28,741	16,215	- -
<u>Planning and developing new</u>	:	:	:
<u>methods of procuring agricul-</u>	:	:	:
<u>tural data .....</u>	95,457	1,314	- -
<u>Total, Bureau of the</u>	:	:	:
<u>Census .....</u>	124,198	17,529	- -

Item	Obligations, 1945	Estimated obligations, 1946	Estimated obligations, 1947
<u>Working Funds (Bureau of Agricultural Economics) Advances from:</u>			
<u>Interior Department: Research</u>			
on character, scope, and organization of the Central Valley and Yuma Meas projects of the Bureau of Reclamation	\$27,791	\$15	- -
Study of the development of food products industries in the Columbia Basin .....	- -	15,000	- -
Study of major agricultural economic situations, conditions, and possibilities, particularly in region 5 of Bureau of Reclamation .....	9,998	2	- -
Total, Interior Department	37,789	15,017	- -
<u>Office of Price Administration:</u>			
Collecting and analyzing statistics on dairy products ..	62,927	19,512	- -
<u>Treasury Department: Studies</u>			
of the effectiveness of the various methods of selling war bonds and factors affecting the sale of bonds and related information .....	75,786	5,979	- -
<u>Federal Crop Insurance Corporation: Collecting and analyzing data on acreages and yields, by counties, and on wheat, cotton, corn, and other products .....</u>	53,535	1,465	- -
<u>Federal Communications Commission: Study of the problems of radio program service to rural areas .....</u>	1,050	23,950	- -
<u>War Department: Study of veterans readjustment to civilian employment for quartermaster's service ....</u>	4,753	1,747	- -
Total, Working Funds .....	360,038	85,199	- -
<u>TOTAL, OBLIGATIONS UNDER SUPPLEMENTAL FUNDS .....</u>	424,324	173,378	105,035

1/ Exclusive of Lend-lease funds which are not included in the regular Budget.

2/ Budget schedule for this item appears in the Department of State chapter of the Budget.

## PASSENGER-CARRYING VEHICLES

It is anticipated that the Bureau will need to purchase a total of 16 cars during the fiscal year 1947--9 cars to be replacements, and 7 cars to be in addition to those now in use.

Cars to be replaced will have been used in excess of 4 years and will have a mileage of at least 60,000 each.

Three cars will be placed in eastern, middle west, and Pacific coast Regional Offices to provide for increased travel necessitated by work including farm management and land-use research and reconversion and post-war problems. Four cars will be placed in Idaho, Pennsylvania, Wisconsin, and Wyoming, and used in the work of gathering additional data (from farms or other primary sources) to enable the Bureau to make more detailed estimates of crop and livestock production, especially of such critical products as feeds, fluid milk, and fresh fruits and vegetables, and for farm wage rate surveys.

There is urgent need for additional cars to carry on the regular work of the Bureau. The new work under the increases will merely make the need more urgent.

The farm wage program which was begun last year requires a great deal of travel by automobile, as much of the data are obtained, by personal interview from a select sample of representative farms throughout the country. The use of automobiles is increasingly necessary in obtaining up-to-the-minute information in carrying out the various Bureau programs. Widespread adjustments were made in farm programs to meet production needs during the war years. The adjustments to meet peacetime requirements will be more difficult and will make it imperative to have first-hand information on crop conditions.



PENALTY MAIL ESTIMATE  
Sec. 2, Public Law 364, 78th Congress  
(Allotment to Bureau of Agricultural Economics)

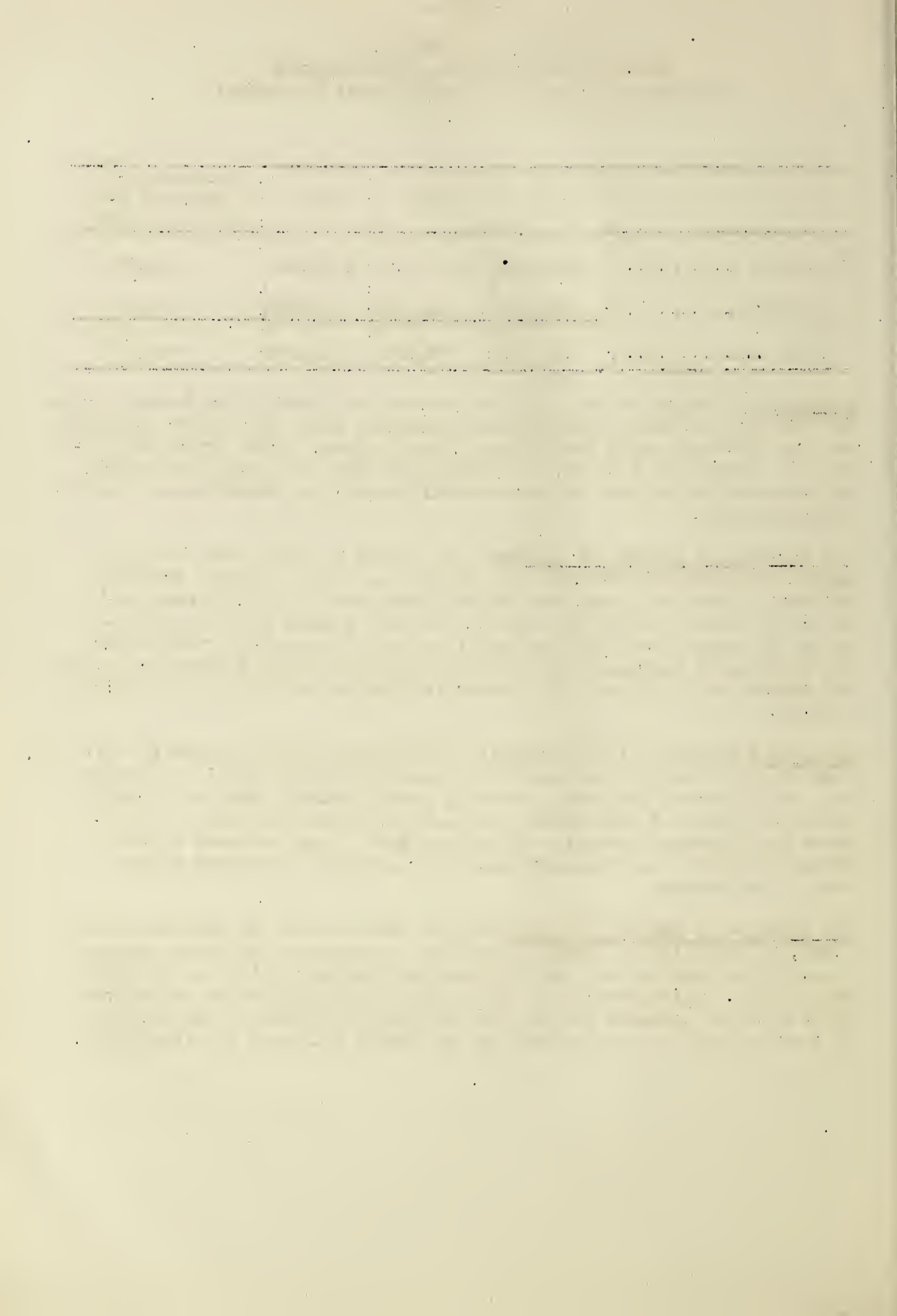
	: 1945	: 1946	: 1947	: Increase (+) or decrease (-), 1947 over 1946
Category 1 .....	\$122,539:	\$127,360:	\$136,360:	+\$9,000
Category 2 .....	138,184:	144,240:	168,240:	+24,000
Total .....	260,723:	271,600:	304,600:	+33,000

Category 1 consists of bulletins and reports released by the Bureau covering all types of crop and livestock production data, agriculture situation reports, information on farm finance, land values, costs, prices and income in relation to farming, farm management data and other statistical and economic information on agricultural production, distribution, and related subjects.

The increase of \$9,000 for 1947 will be needed to defray the cost of mailing approximately 600,000 crop reports and other releases covering information gathered under the program increases of \$275,235 carried in the Budget estimates for the Bureau. All but a small part of the increase in penalty mail will be used to send the summarized reports and compilations of specialized information as requested to farmers and others who furnish information to the Bureau for the preparation of statistical reports.

Category 2 consists almost entirely of schedules mailed out for the purpose of obtaining data relating to agriculture, to be used in preparing crop and livestock estimates, acreage, yield, grades, staples of cotton, stocks and value of farm crops, and numbers, grades and value of livestock and livestock products and related data. Also included is the regular operating and administrative correspondence necessary to the work of the Bureau.

The increase of \$24,000 for 1947 will be used to mail out approximately 1,600,000 schedules to obtain information on crop and livestock production, prices received and paid by farmers, farm wage rates and related information. This increase in the number of schedules to be mailed conforms with the expanded program for gathering agricultural statistics of special value as contemplated by the Budget estimates for the Bureau.



OFFICE OF FOREIGN AGRICULTURAL RELATIONS

(a) Salaries and Expenses

Appropriation Act, 1946 .....	\$500,000
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945 .....	+85,000
Total available, 1946 .....	585,000
Budget estimate, 1947 .....	650,000
Change for 1947:	
Overtime decrease -8,693 .....	
Increase +73,693 .....	+65,000

PROJECT STATEMENT

Project	1945	1946 :(estimated):	1947 :(estimated):	Increase or decrease
1. Foreign agricultural relations .....	\$405,713:	\$576,307:	\$650,000:	+\$73,693 (1)
2. Overtime pay .....	60,394:	8,693:	- -:	-8,693
Covered into Treasury as miscellaneous receipts,	:	:	:	:
P. L. 529 .....	340:	- -:	- -:	- -
Unobligated balance ....	15,058:	- -:	- -:	- -
Total available .....	481,505:	585,000:	650,000:	+65,000
Anticipated supplemental	- -:	-85,000:	- -:	
Total estimate or appropriation .....	481,505:	500,000:	650,000:	

INCREASES OR DECREASES

The net increase of \$65,000 in this item for 1947 consists of the \$8,693 decrease for overtime, and

(1) An increase of \$73,693 for the following:

(a) An increase of \$73,000 to permit some expansion of the work involved in acquiring, verifying, analyzing and interpreting agricultural reports received from all parts of the world and in disseminating the information and conclusions reached pertaining to the world agricultural situation.

Problem Involved and Necessity for Increase: The increasing volume of requests for information by private as well as public organizations, and individuals, together with requests of government agencies, require additional personnel if the most important and significant of such requests are effectively to be met.



For many years the Department of Agriculture--in recent years in co-operation with the State Department and its foreign reporting service--has gathered and supplied this information. The accumulated information and experience in the Office of Foreign Agricultural Relations proved to be of substantial value during the war, and in the fiscal year 1947 the staff of the Office will be relied upon for basic data in the field of foreign agricultural production and requirements by organizations dealing with post-war economic activity, particularly in the field of international commodity agreements and related activities. There is need to expand the staff more adequately to cover foreign food and agricultural conditions of the Pacific area (Australia, New Zealand, China, Philippines, Indies, Malaya, etc.) as well as in Russia and the Balkans, which have important competitive as well as market potentialities.

The Department of State, recognizing the need for more adequate coverage of economic problems, has substantially expanded its Foreign Service in agricultural reporting, both of foreign agricultural conditions and of foreign agricultural policies. Implicit in this expansion of reporting is the obvious necessity for this Office to continue to discharge its own part of this increased responsibility. This is, first, the receiving, analyzing and interpreting of foreign agricultural reports, and second, disseminating the information and conclusions obtained. This responsibility requires an expanded staff for this Office for the immediate future period, and the proposed increase will more adequately enable the Office to meet the situation.

(b) A net increase of \$693 arising out of an additional amount included for placing on a full-year basis in 1947, within-grade salary advancements which are estimated to be in effect for only a part of the fiscal year 1946. The estimates include an increase of \$5,104 for this purpose, offset in part, however, by a decrease of \$4,411 which is included in the 1946 estimated Pay Act supplemental but not in the 1947 estimate, representing additional costs resulting from acceleration of within-grade salary promotions required by the Pay Act.

#### CHANGES IN LANGUAGE

The estimates include proposed changes in the language of this item as follows (new language underscored, deleted matter enclosed with brackets):

Salaries and expenses: For carrying out the functions of the Secretary under the Act of June 5, 1930, as amended (7 U.S.C. 541-545), [independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations and persons engaged in the production, transportation, marketing, and distribution of farm and food products,] and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including the employment of persons and means in the District of Columbia and elsewhere,

the purchase, maintenance, repair and operation of one passenger automobile in the District of Columbia, and the purchase of [such] books and periodicals and not to exceed \$500 for newspapers [as may be necessary in connection with this work \$500,000], \$650,000.

The first change proposes the deletion of the language contained in the 1946 Agricultural Appropriation Act, relating to cooperation in effectuating the purposes for which the appropriation was made.

The sole purpose of the proposed deletion of this language from the appropriation is to shorten and simplify the item. The clause proposed for deletion is considered surplusage and, therefore, need not be retained in the annual appropriation act, the cooperative work being authorized by the Act of June 5, 1930, as amended (7 U.S.C. 545). Elimination of the language from the annual appropriation act will not--in any way--change the scope or character of the work performed under this appropriation item, or the authority of the Department to cooperate with other agencies, institutions, organizations, or others in the conduct of such work.

The second change is proposed in order to authorize the purchase, maintenance, repair and operation, by the Office of Foreign Agricultural Relations, of a passenger automobile in the District of Columbia. Essential work performed by this Office necessitates the daily use of an automobile in connection with assistance to visiting foreign agricultural officials and in the regular and frequent contact with the State Department and with local embassies, legations and agricultural and economic officers of other governments. In addition, there are many ambassadors, ministers, consuls and other State Department officers who, if brought to the Department when in Washington, are in a position to provide valuable agricultural information to the Office. Particularly pressing is the need to provide transportation to the Agricultural Research Center (Beltsville, Maryland) for numerous official visitors from foreign governments who are interested in agriculture. Likewise, there are many agricultural attaches and other U. S. officers who do agricultural reporting abroad and with whom it is important that the Office maintain contact and provide advice and assistance when they return to Washington. There are also numerous hearings, conferences, etc., throughout the Washington area in which the Office of Foreign Agricultural Relations staff members are participants and require transportation.

The third change proposes the deletion of the word "such" and the phrase, "as may be necessary in connection with this work;" (both of which are surplusage) for the purpose of shortening and simplifying the appropriation language.



WORK UNDER THIS APPROPRIATION

Objective: . To deal effectively and promptly with the vast range of foreign problems of significance to the agriculture of the United States.

The Problem and its Significance: The Office is engaged in reestablishing the means for collecting and analyzing information on agricultural developments, both in the field of production and marketing throughout the world, with special emphasis on the liberated areas.

Because of immediate post-war conditions, emphasis is necessarily placed on problems pertaining to the production and acquisition of some products in scarcity. However, certain commodities are now or are likely to be surplus on the market, and adequate knowledge of foreign conditions relevant thereto is necessary properly to handle the surplus problem. This Office is responsible for keeping the Department, American farmers, and others currently informed on developments in foreign countries which are of significance to American agriculture. Such current information is more important at present than it ever has been in the history of the United States. The United States is firmly committed, through acts of Congress and statements of the President, to a strong policy of international collaboration. Thus, American agricultural programs and policies must be developed in the light of the programs, policies and agricultural developments in all parts of the world; this requires more and better analyzed information on foreign agriculture.

Arrangements have been made to secure this needed information from an increased number of agricultural officers in the Foreign Service of the United States. The expanded information obtained will be put into effective use in the United States in connection with agricultural policy-making and agricultural production and marketing programs. It is essential that studies be continued of world supplies of cotton, wool, meats, fats, grain, sugar, fruits, tobacco, dairy products and other competitive products which may have a direct effect on American exports and imports. Similarly, economic studies should be made to ascertain the effect of the discontinuance of Lend-Lease and the substitution of regular exports through new and old channels of trade. In connection with the work of the Export-Import Bank, this Office should be in a position to advise on the effects on the American farmer of such things as proposals for "TVA's" throughout the world.

The reestablishment of the United States Foreign Service in areas long inaccessible provides the chief means through which much of the necessary basic information is being collected abroad, but it is most important, if full returns are to be secured for agriculture from this foreign service expenditure, to have an adequate and competent staff here at home to analyze this information and apply it to the solution of the many U. S. agricultural problems. Furthermore, it will be necessary for the Department of Agriculture to send specialists abroad who will concern themselves with specific commodity developments and problems, with particular reference to the reestablishment of foreign markets for American agricultural surpluses.



We will, for example, wish to learn the condition of the world hard fiber industry as well as the world textile industry and, country by country, the need for American cotton. Similarly, we should know to what extent the fruit-starved population of Europe will import American fruits and to what extent the fruit industry of the Continent has been affected by the war. Likewise, we need specific information as to the position of U. S. tobacco in relation to the 60 other producing countries, particularly the competing countries and the more important exporting countries. The importance of this work can be judged by the fact that discussions and studies have been going on for some time within the British Empire and in certain other regional or national groups pertaining to the post-war marketing of agricultural surpluses. It is also clear that new competitive areas may develop and that other agricultural surplus countries are actively preparing to retain a hand in the marketing of their agricultural products. If the United States is to maintain an equitable share of the world's agriculture markets, and at the same time keep adequately advised on foreign policies and programs which have an effect on U. S. agriculture and these markets, it is highly essential that it expand its agricultural intelligence service to whatever point may be necessary.

Plan of Work: During the past few years much of the work has been performed by a relatively small staff steeped in the knowledge of the agricultural systems of individual countries or in an understanding of world market conditions of a given commodity. This wealth of foreign agricultural knowledge has proved invaluable. Also, a great deal of data and economic information have been compiled relating to the world agricultural situation. This should be brought up-to-date and expanded. The aim of the Office is to maintain an experienced, specialized staff able to cope with the constantly shifting world agricultural scene. This requires occasional foreign travel by specialists to obtain current facts needed by U. S. agriculture. The work is conducted primarily through a Commodities Branch and a Regional Branch.

Commodities Branch: This Branch is responsible for obtaining and analyzing current data on all important agricultural commodities throughout the world and for the preparation of reports concerning agricultural production in foreign countries. These reports are prepared to inform United States agricultural interests—producers, dealers, consumers—of world-wide developments with respect to all agricultural commodities. Some of these, such as cotton, are commodities which the United States exports in volume and the domestic price of which is determined by the world price. For some commodities, such as dairy products, foreign trade is small in relation to United States production, but United States prices are important in establishing world prices. For still other commodities, such as rubber, the United States market is dominant. Recent legislative developments affecting United States exports of cotton and wheat, together with the stockpiling of these and other price-supported commodities, including wool and tobacco, have created

critical world trade problems. Studies are necessary in order to provide current factual agricultural data to support the United States position in international discussions leading to international commodity agreements. For example, although fruit is our largest export food commodity, comprehensive fruit studies that have been made in Mexico, Argentina, Chile and Brazil, cannot be completed for other areas within the funds currently available.

The needs of all these varied interests require timely statistical and analytical information of a comprehensive and authoritative nature. Much of the information, particularly that relating to the current situation, originates in the Foreign Service offices of the United States located in all parts of the world. The Commodities Branch regularly assembles and records the information so collected, supplementing it with data obtainable from official publications and agricultural, trade and scientific publications of other countries. It currently analyzes and interprets the information concerning foreign competitive production from the standpoints of American consumer requirements and United States economic cooperation with other countries, and through publications, correspondence and discussions, reports, and disseminates the information to American farmers, farm groups and agricultural colleges, as well as to other bureaus of the Department and other agencies of the Government.

In addition, the Branch assembles information on stocks, prices, trade and consumption of agricultural products in foreign countries, and analyzes this information from the standpoints of demand and marketing opportunities for American agricultural products abroad, as well as from the standpoint of competition, and disseminates the information currently.

Basic studies are conducted of agricultural commodity production, production methods and costs, market requirements, marketing policies, methods and costs, trade and trade policies, and consumption in foreign countries with particular attention to shifts and trends in production, trade and consumption and their causes. In response to urgent requests from major farm organizations for verified information, it is planned to assign specialists in a few major commodities to make specific commodity studies abroad, and to prepare special reports for policy guidance as well as reports for distribution to interested persons and organizations, both within and without the Government.

Specially qualified personnel of this Branch have been and are continuing to be utilized throughout the Government for technical service to many agencies, including the Production and Marketing Administration Commodity Branches, and for committee work in connection with the Reciprocal Trade Agreements Program and Special Commodity Agreements such as the International Wheat Agreement and the Peruvian, Nicaraguan, and Haitian Cotton Purchase Agreements; also members are utilized on international wheat, cotton, tobacco, and fruit committees, and on the Production Goals, Agricultural Outlook and Post-War Agricultural Committees of the Department.



The Branch organization is composed of the following six Divisions:

Fats, Oils and Rice Division  
Cotton Division  
Tobacco and Tropical Fruits Division  
Livestock and Wool Division  
Fruits and Vegetable and Sugar Division  
Grain and Seed Division

Regional Branch: This Branch is concerned with international economic problems and policies in agriculture. It assembles, analyses and interprets data on agricultural policies and programs in every foreign country; evaluates the information obtained through official and other foreign sources, especially from the expanded State Department foreign reporting facilities; and prepares reports and recommendations on agricultural price policies and programs, tariffs and trade barriers, balance of payment problems, credit arrangements and other international or regional arrangements, competition and trade, cooperative and economic policies affecting United States agriculture. Over a period of years there has been built up an expert staff, familiar with the agriculture of the various countries and skilled at keeping in touch with developments through the reports of the foreign Service of the United States, periodical and other source material in the language of the country concerned, published secondary materials, contact with competent observers returning from foreign countries, and occasional assignments in the countries concerned to renew and keep up-to-date their extensive first-hand knowledge of the agriculture in those countries. This task is basic to the work of the Department, and to the foreign agricultural relations of the United States.

The staff plays a key role in the Trade Agreements Program of the United States, as well as in other foreign relations involving agriculture. Also, representatives of the Branch serve on, and supply current data to, such important official inter-department groups as the Trade Barrier Committee, Commodity Problem Committee, Committee on Foreign Trade Statistics, Inter-Department Committee on Trade Expansion, etc.

Policies and programs of some countries tend to expand domestic production and reduce imports as well as curtail the opportunity for United States exports. Policies affecting production, consumption and exports of our principal competitor countries determine in large part the competition which will face American agriculture. Arrangements between foreign countries, such as customs unions, empire preferences, and monetary commitments, also must be analyzed from the standpoint of American agriculture.

Specifically, it is anticipated that the Branch will:

- (1) Furnish necessary background information and current analyses on world agricultural programs and policies against which can be formulated a national policy in the field of trade barriers.



affecting agricultural products, international agricultural credit for foreign countries, agricultural labor in foreign countries, and similar matters;

(2) Cooperate with the permanent Food and Agriculture Organization in the development of plans for world agriculture;

(3) Analyze foreign food and agriculture developments, and international trade policies, programs and payments as they relate to agriculture, and make available to the United States Government and to the public at large, conclusions which affect American agriculture;

(4) Measure statistically the changes in food production in foreign countries since before the war;

(5) Prepare studies of basic trends in foreign agricultural production and trade in relation to competition with and demand for American farm products;

(6) Analyze economic and geographic data and prepare analytical maps and charts, country by country, for the purpose of summarizing and classifying the results of the work.

Five divisions compose the Branch organization:

International Economic Studies Division  
Latin American Division  
Far East Division  
Europe, Soviet Union and Middle East Division  
United Kingdom and Dominions Division

Coordination and Administration: Much of the work in the field of coordination does not lend itself to the reporting of specific progress. Coordination of the Department's activities in the foreign field is a continuous task involving the maintenance of working relations with the various agencies of the Department as well as with the State Department and other Government agencies which have an interest in foreign economic developments. The general administrative operations, such as Administrative Services, Personnel, Budget and Fiscal, have increased considerably during the past few years because of the expanding area of work in which the Office is engaged.

Informational Activities: The information gathered and analyzed by the Office is disseminated to Government and commercial agencies, research and educational institutions and the general public through the medium of authorized publications, the size and free circulation of which have been rigidly limited during the past few years. It is planned that the following regular publications will be continued and expanded: A weekly edition of Foreign Crops and Markets, the circulation of which had previously been restricted to certain war agencies requesting it; Foreign Agriculture, monthly; and Agriculture in the Americas, monthly. Also special bulletins such as The World Food Situation are published irregularly as circumstances require.

Specific Accomplishments:

1. A Foreign Crop and Livestock Statistics Committee has been established to insure thorough consideration of all available data, and a synchronized program or series of world commodity summaries and reports has been started.

2. Commodity studies on foreign agricultural production and trade trends are being emphasized. To meet the increasing demand for information concerning export prospects for fruits, a world citrus report and similar reports on fruits and nuts have been issued. A world rice situation report has been published which brings up-to-date all available information on production and trade. Summaries of world livestock numbers give new information on prospective supplies and markets for cattle, hogs and sheep. Other commodity reports will appear as data are available and as conditions change.

3. The United States emerged from the war with its cotton surplus problem intensified by economic disorganization in many consuming countries. In conjunction with the major producing countries an International Cotton Advisory Committee has been called into session, and the Office supplied data for a thorough study of the cotton problem. It is felt that joint action may do much to prevent chaos in the cotton industry.

4. The Office assisted in the formation of a National Horticultural Council to concern itself with the development of markets for American fruit in the foreign field.

5. During the period marked in general by food shortages, the Office provided data to the Combined Food Board on world food supplies and participated in developing formulae for its equitable distribution. Shortages of some foods such as fats and oils, meats and sugar will likely continue for some time. In the case of other products, surpluses are impending which will pose problems fully as serious, and the Office will continue to be the reliance of the Commodity Branches of the Production and Marketing Administration in matters pertaining to foreign agricultural production, supply, consumption and trade.

6. In the field of international cooperation, the Office played a major role in staffing and preparing material for the joint consideration of representatives of the American Republics at the recent Third Inter-American Conference on Agriculture held at Caracas, Venezuela. It also participated in the work of the Interim Commission in preparation for the inaugural conference in Canada of the United Nations Food and Agriculture Organization. It also exercised leadership in staffing and preparing material for the two United States-Mexican Agricultural Commission meetings.

7. A series of studies of the agricultural policy of key foreign countries has been made to serve as a basis for the formation of the agricultural phases of the foreign economic policy of the United States. Members of the Office have participated in interdepartmental deliberations on this subject as the advocate of the American agricultural industry.



8. Changes in food production in various countries have been measured and a compilation has been prepared showing the world food situation at the present time. This serves as a basis for the determination of food policy during the transition of food management to peacetime conditions. At the time of V-E Day a food situation report was prepared which covered the European area; in September a world food situation report was prepared covering the world agriculture at V-J Day.

9. Handbooks were prepared for the Army and Navy on the agriculture and food resources in the Axis areas. These were used by the armed forces in areas of operation and for military government. In addition to materials prepared in earlier fiscal years, Handbooks and Civil Affairs Guides have been supplied for Formosa, Japan, Japanese Mandated Islands, Korea, the Philippines, Austria, Hungary and the Netherlands. Assistance continues to be given the Military Government organization in the form of conferences, lectures and the supplying of material to help in training Military Government officers going to the Pacific.

(b) Exportation and Domestic Consumption of  
Agricultural Commodities

(Allotment to Office of Foreign Agricultural Relations)

This schedule covers obligations under an allotment from funds appropriated under Section 32 of the Act of August 24, 1935, to obtain information on foreign market developments and other data related to the international aspects of the work under Section 32. The work of assembling foreign information needed in the consideration of export programs is a continuing task.

(c) Rubber Investigations, Bureau of Plant Industry,  
Soils, and Agricultural Engineering

(Allotment to Office of Foreign Agricultural Relations)

This budget schedule covers obligations during 1945 and 1946 under an allotment for coordination, as well as advisory and informational services in connection with the development of rubber production in the Western Hemisphere.

(d) Emergency Fund for the President, National Defense  
(Allotment to Office of Foreign Agricultural Relations)

This budget schedule covers obligations during 1945 under a transfer for expenses of technical experts to assist in problems pertaining to livestock and other food production in the British Isles.

(e) Foreign Service Pay Adjustment, Appreciation of  
Foreign Currencies (Department of Agriculture)  
(Allotment to Office of Foreign Agricultural Relations)

This Budget schedule covers obligations during 1946 under funds transferred to this Department to cover losses sustained by officials of the Office in foreign currencies in relation to the American dollar.



Due to the elimination of the appropriation under this head, heretofore contained in the Independent Offices Appropriation Act, obligations for this purpose in the fiscal year 1947 will be paid from the direct appropriations of the respective agencies.

(f) Cooperation with the American Republics  
(Transfer from Department of State. Budget schedule appears under Department of State chapter of Budget)

Latin American Cooperation: In the field of Latin American Cooperation, the Office has a dual function:

(1) To direct and coordinate the Latin American activities of the Department. This includes assistance to the program of the Bureau of Plant Industry, Soils, and Agricultural Engineering for developing sources of natural rubber in the tropical areas of Latin America, and a program of in-service training of students from the other American Republics which, during the past year, provided student training to over 70 students in four different Bureaus of the Department.

(2) To develop the production of complementary agricultural products in the other American Republics through the establishment, in cooperation with appropriate subject-matter agencies, of cooperative agricultural research and extension centers. Pursuant to agreements signed with Colombia, Guatemala, Peru, Nicaragua, El Salvador, Ecuador and Bolivia there have been established stations for which the local governments provide substantially more than the United States contributes. The Office also carries on active collaboration with existing agricultural institutions in Cuba and Brazil.

A total of more than 40 American scientists and technicians are already actively engaged in investigational, extension and production work at the various cooperative experiment stations and research centers located in the Latin American Area. Major attention is being devoted to the problems involved in producing or expanding the production of cinchona (a source of quinine), other drug plants, insecticides such as pyrethrum and rotenone, tropical fibers, cacao, and vegetable oils.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS  
(1945 and 1946 figures include overtime costs)

Item	: :Obliga- :tions, :1945 <sup>1/</sup>	: : Estimated : : obliga- : : tions, : : 1946 : :	: : Estimated : : obliga- : : tions, : : 1947 : :
<u>Exportation and Domestic</u>	:	:	:
<u>Consumption of Agricultural</u>	:	:	:
<u>Commodities: For services</u>	:	:	:
required in the administration	:	:	:
of Section 32 of the Act of	:	:	:
August 24, 1935 . . . . .	: 39,022	: 39,696	: 39,022

Item	: Obligations, 1945 <sup>1/</sup>	: Estimated obligations, 1946	: Estimated obligations, 1947
<u>Rubber Investigations, Bureau of</u>	:	:	:
<u>Plant Industry, Soils, and Agri-</u>	:	:	:
<u>cultural Engineering: For</u>	:	:	:
coordinative, advisory and in-	:	:	:
formational services in connec-	:	:	:
tion with development of rubber	:	:	:
production in the Western Hemi-	:	:	:
sphere . . . . .	949	13,109	---
<u>Emergency Fund for the President,</u>	:	:	:
<u>National Defense: For expenses</u>	:	:	:
<u>of technical experts to assist</u>	:	:	:
<u>in problems pertaining to live-</u>	:	:	:
<u>stock and other food production</u>	:	:	:
<u>in British Isles . . . . .</u>	9,076	---	---
<u>Cooperation with American Republics:</u>	:	:	:
<u>(Transfer from Department of</u>	:	:	:
<u>State): For promoting in Latin</u>	:	:	:
<u>America the production of comple-</u>	:	:	:
<u>mentary or non-competitive agri-</u>	:	:	:
<u>cultural products<sup>2/</sup> . . . . .</u>	501,565	592,291	613,799
<u>TOTAL, OBLIGATIONS UNDER SUPPLE-</u>	:	:	:
<u>MENTAL FUNDS</u>	550,612	644,793	652,821

- 1/ Excludes Lend-Lease expenditures the schedules for which are not included in the regular Budget.
- 2/ Budget schedule for this item appears in Department of State chapter of the Budget.

#### PASSENGER-CARRYING VEHICLES

The passenger-carrying vehicle statement of the Office of Foreign Agricultural Relations provides authority for the purchase, maintenance, and operation of one passenger automobile in the District of Columbia for use by officials in contacting various embassies and legations of other governments and in transporting to the Agricultural Research Center (Beltsville, Maryland) foreign visitors who are collaborating in the work of the Office. An explanation of the need for this automobile is included under changes in language for this item.

(g) International Production Control Committees

PROJECT STATEMENT

Project	: 1945 :	1946 : :(estimated):	1947 : :(estimated):	: Increase or decrease
1. U. S. Share of direct contributions for expenses of the International Production Control Committees:	\$6,250:	\$7,000:	\$7,070:	+\$70
2. Professional and clerical services .....	2,433:	2,500:	2,430:	-70
3. Other expenses incident to formulation and operation of new international commodity agreements ....	- -:	3,000:	3,000:	- -
Unobligated balance .....	3,817:	- -:	- -:	- -
Total estimate 1947 and 1946 and comparable amount 1945 .....	12,500:	12,500:	12,500:	- -
Allotted from:	:	:	:	:
"Salaries and expenses, Agricultural Adjustment Administration" ..	-8,500:	-8,500:	-8,500:	:
"Administration of Sugar Act, Department of Agriculture" .....	-4,000:	-4,000:	-4,000:	:
Total estimate or appropriation .....	- -:	- -:	- -:	:

This item will continue during the fiscal year 1947 the authority contained in the 1946 Agricultural Appropriation Act (based on Sec. 701a, Department of Agriculture Organic Act of 1944) permitting the Secretary of Agriculture to utilize funds available for agricultural adjustment to cover the cost of United States membership in the International Wheat Advisory Committee or like events or bodies concerned with the management of agricultural surpluses, etc., and to provide for travel and incidental expenses in connection with such participation. The amount approved for this purpose in 1946 (\$12,500) remains unchanged in the 1947 estimates.

Funds appropriated for effectuating the aims of crop-control programs, conservation programs, and encouragement of exports have been made available, since the fiscal year 1935, for the payment of expenses of "International Production Control Committees" through a limitation heading bearing that title which has been contained in the Department of Agriculture appropriation bill. Since that time, expenses of representatives of the United States Department of Agriculture attending sessions of the International Wheat Advisory Committee have been paid under the authority



contained in this limitation. Since the fiscal year 1938, expenses have also been paid on account of the International Sugar Council. In addition, this limitation has covered the reimbursement of the State Department for its payment of the United States' share of the costs of both the Committee and the Council. Expenses incurred by the Department in connection with the International Cotton Committee and the statistical work of its Secretariat are also paid from this fund.

International Wheat Council: Under the provisions of a Memorandum of Agreement an International Wheat Council was formally organized and held its first meeting August 3-5, 1942. Delegates from the five participating countries, Argentina, Australia, Canada, the United Kingdom, and the United States, were officially appointed by their respective Governments.

The Council held additional meetings on January 28-29, August 26-28 and November 5, 1943 and on August 31 and September 1, 1945. Activities of the Council have so far been largely concerned with the wheat supply and production programs in the member countries, the consideration of plans and procedures with respect to the operation of the pool of relief wheat or flour when it may be called for in war-stricken and other necessitous areas, and to organizational matters and contact with other appropriate agencies dealing with international activities and post-war problems.

Funds to cover the United States' share of the Wheat Council, have, since 1935, been made available from the appropriation made under Section 12(a) of the Agricultural Adjustment Act of 1933.

International Sugar Council: The International Sugar Council, established under the International Sugar Agreement, signed in London on May 6, 1937, and ratified by the U. S. Senate on December 20, 1937, is being continued on a skeletal basis. The agreement itself provides generally for the regulation of production and marketing on an international basis. The Council is active during the war period in granting permission to signatory countries to modify production and marketing of sugar because of exigencies occurring under the war situation.

In 1943 the Council undertook a study of the sugar-supply situation in Axis and Axis-occupied countries in order to determine the probable import requirements of these areas during the immediate postwar period.

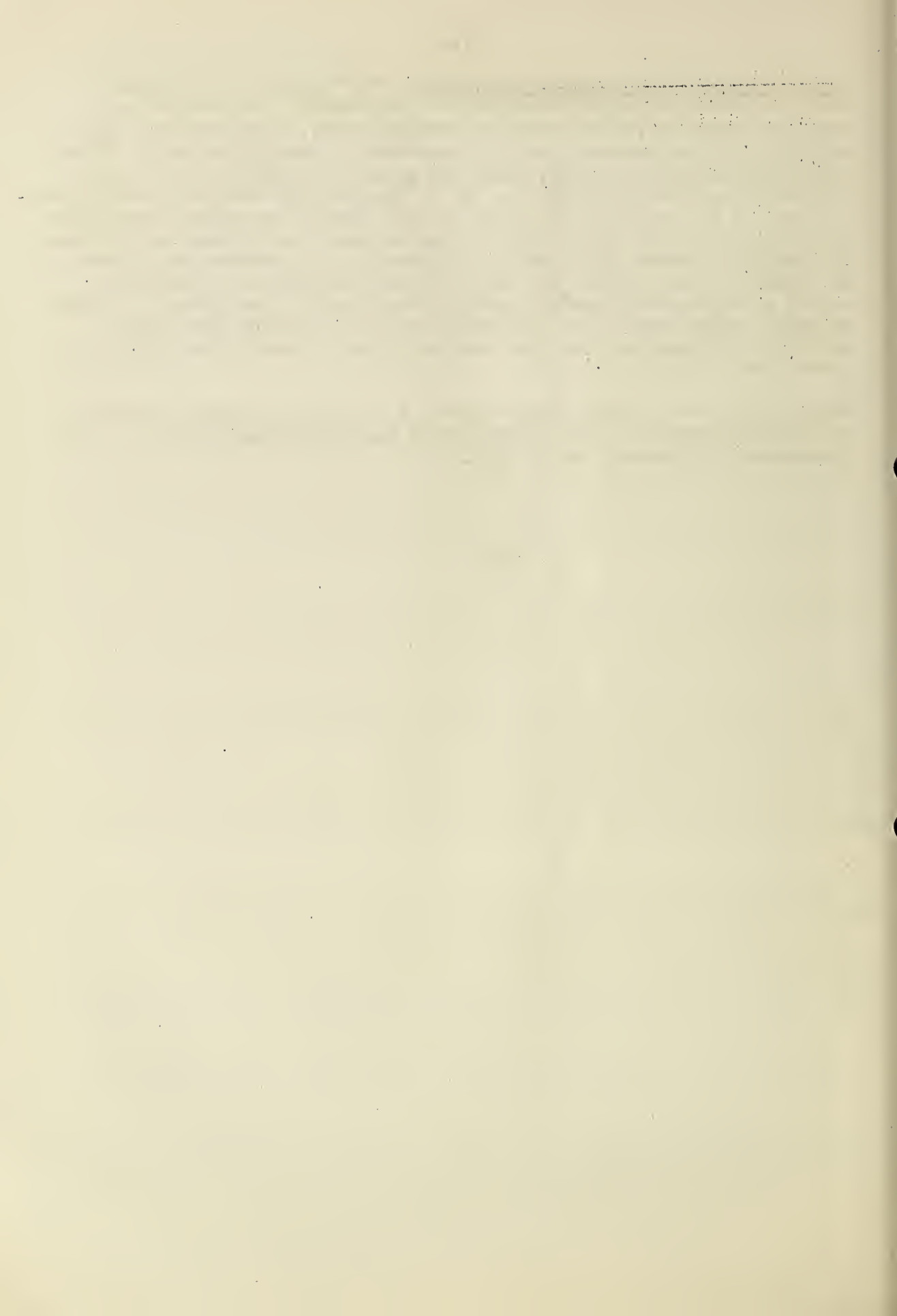
The Council also has initiated an exploratory study of the agreement as it now stands with the objective of early revision of certain portions. The Council has voted to extend the agreement to August 31, 1946.

It is expected that this Council will be highly significant in post-war adjustments in the international marketing of sugar.

Funds to cover the United States' share of the Sugar Council expenses have been made available from the appropriation made under Section 12(a) of the Agricultural Adjustment Act of 1933, and for carrying into effect the Sugar Act of 1937.

International Cotton Advisory Committee: The Committee is composed of representatives of the following member governments: United States, Union of Soviet Socialist Republics, Brazil, Egypt, India, Mexico, and Peru. The Secretariat for the Committee was established at the first meeting on September 5, 1939, under the general direction of the Office of Foreign Agricultural Relations and is charged with observing and collecting data on the world cotton situation and advising the member Governments when world conditions seem favorable for further international cooperation. The Committee members exchange views between the interested Governments in respect to the form and the time for international collaboration designed to adjust world cotton supply to the demand. Throughout the autumn of 1945 a study group of the Committee has been in almost continuous session, utilizing the personnel and facilities of the Office of Foreign Agricultural Relations.

Funds to cover the United States' share of the Cotton Advisory Committee are made available from the appropriation made under Section 12(a) of the Agricultural Adjustment Act of 1933.





PENALTY MAIL ESTIMATE  
Sec. 2, Public Law 364, 78th Congress  
(Allotment to Office of Foreign Agricultural Relations)

	: 1945	: 1946	: 1947	: Increase (+) : or decrease (-), : 1947 over 1946
Category 1 .....	\$852	\$1,155	\$1,600	+\$445
Category 2 .....	160	168	250	+82
Total .....	1,012	1,323	1,850	+527

Category 1 consists of publications issued by the Office disseminating information on all phases of foreign agriculture to employees of the Department, other government agencies, the trade, and the general public. These publications are The Foreign Crops and Markets, Agriculture in the Americas, Foreign Agriculture and special releases which are issued by this Office.

Category 2 consists of correspondence with other government agencies, state organizations, and the public in reply to requests for information on foreign agriculture; and regular operating and administrative correspondence necessary to carry out the work of the Office.

The increase of \$527 for 1947 is estimated to be required to cover the cost of (1) mailing publications issued by the Office with regard to all phases of foreign agriculture, including statistics on production and consumption of farm products and distribution to State and Federal Government agencies, the trade, schools and colleges, libraries, and the general public, and (2) for administrative and operational correspondence arising out of the general increase in tempo of the activities of the Office.

With the removal of wartime restrictions on the use of paper and the dissemination of certain types of information, it is contemplated that prewar mailing lists will be reactivated and that there will be a general rise in the distribution of Office publications in response to requests therefor.

THE UNIVERSITY OF CHICAGO  
DEPARTMENT OF CHEMISTRY  
RECORD OF ANALYSES

ANALYST	DATE	NAME OF SUBSTANCE	WEIGHT OF SUBSTANCE	WEIGHT OF REAGENT	WEIGHT OF PRODUCT	PERCENTAGE OF PRODUCT
W. H. C. S. S.	1900	...	...	...	...	...
W. H. C. S. S.	1900	...	...	...	...	...
W. H. C. S. S.	1900	...	...	...	...	...
W. H. C. S. S.	1900	...	...	...	...	...

ANALYST'S NAME: W. H. C. S. S.  
DATE: 1900  
NAME OF SUBSTANCE: ...  
WEIGHT OF SUBSTANCE: ...  
WEIGHT OF REAGENT: ...  
WEIGHT OF PRODUCT: ...  
PERCENTAGE OF PRODUCT: ...

ANALYST'S NAME: W. H. C. S. S.  
DATE: 1900  
NAME OF SUBSTANCE: ...  
WEIGHT OF SUBSTANCE: ...  
WEIGHT OF REAGENT: ...  
WEIGHT OF PRODUCT: ...  
PERCENTAGE OF PRODUCT: ...

ANALYST'S NAME: W. H. C. S. S.  
DATE: 1900  
NAME OF SUBSTANCE: ...  
WEIGHT OF SUBSTANCE: ...  
WEIGHT OF REAGENT: ...  
WEIGHT OF PRODUCT: ...  
PERCENTAGE OF PRODUCT: ...

ANALYST'S NAME: W. H. C. S. S.  
DATE: 1900  
NAME OF SUBSTANCE: ...  
WEIGHT OF SUBSTANCE: ...  
WEIGHT OF REAGENT: ...  
WEIGHT OF PRODUCT: ...  
PERCENTAGE OF PRODUCT: ...

EXTENSION SERVICE

(a) Payments to States, Hawaii, Alaska, and Puerto Rico  
for Cooperative Agricultural Extension Work

Appropriation Act, 1946 .....	\$14,198,950
Second Deficiency Appropriation Act, 1945 (For additional payments to States as authorized by Sec. 23, Bankhead-Jones Act, amended by the Act of June 6, 1945) .....	4,500,000
Total anticipated available, 1946 .....	18,698,950
Budget estimate, 1947 .....	22,698,950
Increase .....	+4,000,000

PROJECT STATEMENT

Project	1945	1946 :(estimated):	1947 :(estimated):	Increase or decrease
1. Capper-Ketcham Act (Act of May 22, 1928) .....	\$1,480,000	\$1,480,000	\$1,480,000	- -
2. Bankhead-Jones Act, section 21, Title II (Act of June 29, 1935) ...	12,000,000	12,000,000	12,000,000	- -
3. Bankhead-Jones Act, section 23, Title II of the approved June 29, 1935, as amended by the Act of June 6, 1945 (Pub- lic Law 76) .....	- -	4,410,000	8,330,000	+\$3,920,000
Administrative expenses, Federal Extension Service.	- -	90,000	170,000	+80,000
4. Additional Exten- sion Work (Act of April 24, 1939) ..	555,000	555,000	555,000	- -
5. Alaska (Act of February 23, 1929) (Act of June 20, 1936) ...	13,950	13,950	13,950	- -
6. Puerto Rico (Act of August 28, 1937)	140,000	140,000	140,000	- -
Total estimate or appropriation .	14,198,950	18,698,950	22,698,950	+4,000,000 (1)



INCREASE

(1) An increase of \$4,000,000 in this item for 1947 as authorized by section 23, Bankhead-Jones Act, approved June 29, 1935 as amended by the Act of June 6, 1945 to further develop cooperative extension work in agriculture and home economics in cooperation with the State Colleges of Agriculture and to provide for the administration by the Federal Extension Service of the expanded extension program authorized under this act.

The Department relies on the Extension Service in cooperation with the State Colleges of Agriculture to perform general educational activities in agriculture. This includes bringing to all possible farm and rural families in the United States the most up-to-date information regarding the basic agricultural situation and needed adjustments in farm planning, improved farm practices, better methods of marketing and distributing farm products, labor-saving machinery, home food production and conservation programs, and other programs to promote the well-being and health of rural people. The Extension Service works with all agencies in the Department and has a definite responsibility to keep farmers advised as to how they can cooperate with the various agencies of the Department, such as the Production and Marketing Administration, Soil Conservation Service, Farm Credit Administration, Farm Security Administration, Rural Electrification Administration, and others.

The cooperative agricultural extension service has been for more than a quarter of a century in effective partnership with individual operating farmers in keeping their farm production in pace with national needs. The local approach of the county agricultural agents, county home demonstration agents, and 4-H Club leaders is geared to the American system of family operated farms, which has outproduced any other agricultural system in the world during the present war. County extension agents' activities are adapted to local farm conditions and 3000 county extension services working through local volunteer leaders have in the aggregate been a steady basic force in meeting production emergencies and adjusting individual farm plans to national needs. Every evidence is that farm people use the county extension office more and more for sources of information and general service in connection with farm and home problems. Many difficult problems will face farm people in the postwar years in view of the great technological advances which were made during the war. There are problems, growing out of the war effort itself, such as those presented by returning veterans wishing to become established as farmers, improvement of rural housing, postwar shifts in agricultural production, and many other difficult readjustments in agriculture.

The key to effective readjustment is timely education and information of the type furnished by the Extension Service. Extension education has been a great factor in mobilizing agriculture for war and adequate extension work can be an equally vital factor in adjusting to the conditions of peace.

Experience has proven that one man and one woman extension worker would be required for about 500 farm families in order to meet the average

informational needs of farm people. This means that in many counties two workers can meet the needs while in many other counties, several agents are necessary. The present staff and facilities available to the Extension Service are inadequate to permit rendering the increased educational services essential to improve standards of living of farm people; to develop individual farm and home plans; better marketing and distribution of farm products; work with rural youth in 4-H Clubs and older out-of-school youth; improved farm and home buildings; to develop effective programs in canning, food preservation, nutrition, health, and other needed extension work. Of the \$4,000,000 increase proposed for the fiscal year 1947, \$3,920,000 will be distributed among the several States and Territory of Hawaii, which will be matched by an equal amount from within the States and Hawaii. This will make possible the addition of approximately 1400 new professional workers to the field staff, including county agents, home demonstration agents, Negro agricultural and home demonstration agents, assistant county agents and county 4-H Club agents, and State field agents.

Under the Act approved June 6, 1945 authorizing an appropriation to the Extension Service of \$8,500,000 for the fiscal year 1947, 2% is designated for paying the expenses of the Federal Extension Service. This amount is urgently needed and essential to insure effective use of appropriations made by Congress to administer cooperative extension work and to provide required services to the States. Since the fiscal year 1935, Federal funds available for allotment to the States and Territories have more than doubled and State and local funds have also materially increased but there has not been a corresponding increase in funds for the Federal Extension Service to properly administer and coordinate cooperative extension work. This has been a serious handicap to the work. One of the important needs arises out of the fact that approximately 1500 extension workers are returning from the armed forces, and States are requesting that interstate refresher training schools be organized for these returning veterans under the direction and supervision of the Federal Extension Service.

Much thought has been given to the development of extension work during the three-year period in which an expanding program is authorized under this Act, and a program has been worked out with the land-grant colleges for expansion within the States, for development and improvement in the Extension Service and for the services that are to be supplied the States by the Federal Extension Service. Under this plan, the States are looking to the Extension Service of the Department for much greater assistance than they have received in the past.

There is a strong tendency in the direction of developing a new type of postwar regional program and including in the same, the States or areas of States having common problems. This movement already has started in the Cotton Belt. Other areas, such as the New England milk area, and the Corn-Hog Belt, are discussing the development of regional extension programs of this type. The States look to the Federal Extension Service for the promotion of the interstate cooperation and coordination which makes for increased effectiveness and economy of the regional program.



Plans formulated for the use of the increased funds for administration include the development of the USDA aspects of the Land-Grant College partnership in overall administration, and coordination through the assignment of assistants to the Federal director of extension work to deal with State Extension Directors and others in respective regions and exercise the partnership function in cooperative extension work as contemplated in the Smith-Lever Act; extensive expansion of 4-H Club and Older Youth work; development of an "individual unified farm and home plan" approach in county extension work which will tend to unify the work and prevent duplication; interstate cooperation and the development of extension programs on common problems affecting a whole region and involving regional cooperation; the furnishing of special assistance in special fields in which it is not economical for State extension services to develop specialists; and technical assistance in various programs, such as health, garden, educational activities dealing with economic policies, and special services in relation to new scientific developments in agriculture.

#### CHANGES IN LANGUAGE

The Second Deficiency Appropriation Act, 1945, included an appropriation of \$4,500,000 for carrying out section 23 of the Bankhead-Jones Act of June 29, 1935, such section having been enacted in Public Law 76, 79th Congress, approved June 6, 1945. The recommended estimates for 1947 include funds for carrying out the purposes of Public Law 76 and, in order to incorporate in the appropriation paragraph reference to the above-mentioned section 23 of the Bankhead-Jones Act, it is proposed to add the language "Bankhead-Jones Act, section 23, title II, of the Act approved June 29, 1935, as amended by the Act of June 6, 1945 (Public Law 76)." (New language underscored).



## PAYMENTS TO STATES AND TERRITORIES

The entire amount for payments to the States and Territories is paid directly to a designated officer in each State and Territory and the funds are disbursed by them in accordance with budgets and programs of work submitted by the directors of extension and approved by the Secretary of Agriculture. Some offset by States and Territories is required by law before the funds become available, resulting in extension work being financed about 53 percent from Federal sources (exclusive of emergency war food funds) and about 47 percent from State and local sources. The funds are used by the States for carrying on State and county extension work with rural people. Paid workers are being assisted by a network of voluntary neighborhood leaders who cooperate in carrying out extension programs.

Funds available for fiscal year 1946 for direct payments to States, Hawaii, Alaska, and Puerto Rico for cooperative agricultural extension work total \$23,313,660. In addition, \$93,180 was allotted from funds appropriated to the Department of Agriculture for Farm and Other Private Forestry Cooperation making a grand total of \$23,406,840 available to the States and Territories for the fiscal year 1946. The estimates for the fiscal year 1947 include an additional sum of \$3,920,000 for these purposes as authorized under the Bankhead-Jones Act, Section 23, title II of the Act approved June 29, 1935, as amended by the Act of June 6, 1945.

The use of these funds is indicated in greater detail in the following tables. Table 1 indicates the sources of funds allotted for cooperative extension work in the States, Alaska, Hawaii, and Puerto Rico for 1946. Table 2 shows estimated direct payments to the States and Territories for 1947 indicating those which require offset by State, county or local funds, those where such offset is not required, and the basis of allotment. Table 3 shows, by States, the allotments available to States and Territories for 1946 and 1947 as contemplated by the Budget estimates. Table 4 indicates the various classes of field agents employed with extension funds.





Table 1--SOURCES OF FUNDS ALLOTTED FOR COOPERATIVE EXTENSION WORK IN STATES, ALASKA, HAWAII, AND PUERTO RICO  
FOR THE FISCAL YEAR ENDING JUNE 30, 1946

STATES	GRAND TOTAL	TOTAL FEDERAL FUNDS	TOTAL WITHIN THE STATES	FUNDS FROM FEDERAL SOURCES							STATE AND COLLEGE	COUNTY	FARMERS' ORGANIZATIONS ETC.
				SMITH LEVER	BANKHEAD JONES SECTION 21 TITLE II	BANKHEAD JONES SECTION 23 TITLE II	CAPPER KETCHAM	ADDITIONAL EXT. WORK	U.S. DEPT. OF AGRIC. CLARKE McNARY	MORRIS DOXEY			
Alabama	\$ 1,556,822.90	\$ 667,822.90	\$ 689,000.00	\$ 151,596.66	\$ 502,475.28	\$ 171,186.78	\$ 7,220.03	\$ 3,724.15	\$ -	\$ 1,620.00	\$ 339,000.00	\$ 350,000.00	\$ -
Arizona	234,525.74	137,330.74	97,195.00	33,296.96	61,113.21	20,087.35	22,833.22	-	-	-	60,722.20	36,472.80	-
Arkansas	1,093,055.46	722,204.46	370,851.00	118,683.61	419,860.17	141,874.16	33,217.36	6,949.16	-	1,620.00	272,030.00	98,821.00	-
California	1,229,098.40	553,533.02	675,565.38	153,609.36	260,837.46	100,001.40	37,464.80	-	1,620.00	-	396,628.38	278,937.00	-
Colorado	490,546.09	279,501.09	211,045.00	48,141.19	110,836.10	67,229.50	24,638.47	27,395.83	1,260.00	-	92,500.00	118,005.00	540.00
Connecticut	368,706.86	153,648.86	215,058.00	49,469.04	57,650.95	20,108.91	24,799.96	-	1,620.00	-	131,368.00	53,000.00	30,690.00
Delaware	107,427.98	85,582.98	21,845.00	19,101.13	36,515.26	8,859.77	21,106.82	-	-	-	21,045.00	800.00	-
Florida	620,673.93	283,588.93	337,085.00	70,994.31	129,651.51	53,905.39	27,417.72	-	1,620.00	-	171,585.00	165,500.00	-
Georgia	1,436,059.95	909,953.95	526,106.00	156,817.49	511,293.31	174,315.50	37,854.95	26,432.70	1,620.00	1,620.00	216,140.00	309,966.00	-
Idaho	351,118.48	212,618.48	138,500.00	34,936.02	92,773.63	55,820.77	23,032.55	3,445.51	1,620.00	990.00	66,500.00	72,000.00	-
Illinois	1,417,324.02	708,099.02	709,225.00	159,515.89	371,653.23	124,769.89	38,183.11	10,736.90	1,620.00	1,620.00	277,225.00	7,000.00	425,000.00
Indiana	1,247,889.70	572,673.70	675,216.00	120,302.76	313,278.64	104,058.03	33,414.27	-	1,620.00	-	376,800.00	296,346.00	2,070.00
Iowa	1,656,982.00	651,560.24	1,005,421.76	114,139.96	354,375.33	118,639.52	32,664.80	28,020.63	2,100.00	1,620.00	294,181.80	353,739.96	357,500.00
Kansas	1,215,001.78	481,355.52	733,646.26	84,993.69	238,032.79	77,360.09	29,120.22	50,228.73	-	1,620.00	137,816.90	477,054.02	118,775.34
Kentucky	1,113,599.59	826,049.59	287,550.00	152,977.52	473,004.01	160,730.10	37,387.96	-	1,950.00	-	170,500.00	117,050.00	-
Louisiana	1,170,178.59	578,361.14	591,817.45	109,083.79	326,764.51	108,842.94	32,049.90	-	1,620.00	-	455,938.27	132,419.18	3,460.00
Maine	301,008.29	196,747.22	104,261.07	46,109.22	83,322.64	37,467.47	24,391.36	2,216.53	1,620.00	1,620.00	54,621.07	49,640.00	-
Maryland	485,808.92	230,678.92	255,130.00	63,063.69	108,235.27	31,306.71	26,453.25	-	-	1,620.00	145,351.00	109,779.00	-
Massachusetts	607,098.53	159,998.53	447,100.00	42,748.46	72,883.76	18,763.66	23,982.65	-	1,620.00	-	141,100.00	306,000.00	-
Michigan	1,292,768.57	621,760.18	671,008.39	139,007.00	332,829.40	110,994.82	35,688.96	-	1,620.00	1,620.00	469,831.39	201,177.00	-
Minnesota	1,022,982.56	611,010.78	411,971.78	110,427.47	348,555.43	116,574.57	32,213.31	-	1,620.00	1,620.00	183,971.78	215,500.00	12,500.00
Mississippi	1,470,892.77	876,786.85	594,105.92	135,402.66	524,051.38	178,842.19	35,250.62	-	1,620.00	1,620.00	258,694.92	327,367.00	8,044.00
Missouri	1,203,658.28	737,554.75	456,103.53	140,634.88	424,282.66	143,443.30	35,886.93	1,686.98	-	1,620.00	177,500.00	244,973.09	33,630.44
Montana	473,120.96	227,110.21	246,010.75	34,918.54	83,243.96	52,439.55	23,030.42	32,217.74	1,260.00	-	87,128.91	158,881.84	-
Nebraska	748,638.45	418,280.45	330,358.00	67,417.76	198,975.81	73,502.31	26,982.76	49,781.81	1,620.00	-	153,000.00	177,358.00	-
Nevada	182,104.59	95,253.59	86,851.00	14,795.47	25,698.11	21,021.74	20,583.19	11,955.08	-	1,200.00	47,205.00	39,646.00	-
New Hampshire	249,004.53	106,891.26	142,113.27	24,918.64	45,320.00	12,083.78	21,814.30	1,134.54	1,620.00	-	79,509.17	62,604.10	-
New Jersey	581,710.21	192,683.31	389,026.90	64,818.34	71,390.79	20,033.94	26,666.64	8,153.60	1,620.00	-	136,380.50	252,646.40	-
New Mexico	359,570.71	200,351.59	159,219.12	35,455.41	84,068.40	57,732.07	23,095.71	-	-	-	84,319.12	74,900.00	-
New York	2,326,361.97	594,569.75	1,731,792.22	175,677.81	282,400.98	93,102.35	40,148.61	-	1,620.00	1,620.00	607,276.00	800,785.11	323,731.11
North Carolina	1,831,587.46	1,067,925.46	763,662.00	196,032.50	616,134.72	211,514.23	42,624.01	-	1,620.00	-	394,466.00	369,196.00	-
North Dakota	487,520.68	320,901.68	166,619.00	46,527.70	137,807.12	71,799.08	24,442.25	38,705.53	1,620.00	-	38,579.00	128,040.00	-
Ohio	1,363,094.87	765,786.65	597,308.22	174,344.00	411,078.06	138,758.19	39,986.40	-	1,620.00	-	323,148.00	270,760.22	3,400.00
Oklahoma	1,146,899.13	672,810.50	474,088.63	114,335.77	354,232.35	118,588.79	32,688.61	51,344.98	-	1,620.00	333,793.63	140,295.00	-
Oregon	795,334.98	242,376.85	552,958.13	49,965.31	112,951.25	52,979.98	24,860.31	-	1,620.00	-	375,325.13	177,633.00	-
Pennsylvania	1,277,502.78	762,644.58	514,858.20	247,302.93	348,623.69	116,598.78	48,859.18	-	1,260.00	-	384,858.20	130,000.00	-
Rhode Island	96,993.62	64,540.52	32,453.10	14,294.63	26,217.56	3,506.05	20,522.28	-	-	-	15,000.00	12,600.00	4,853.10
South Carolina	994,791.77	616,867.07	377,924.70	112,682.90	349,274.61	116,829.74	32,487.60	2,352.22	1,620.00	1,620.00	325,000.00	51,724.70	1,200.00
South Dakota	469,189.15	329,978.70	139,210.45	44,727.29	130,397.99	69,170.25	24,223.30	59,839.87	-	1,620.00	81,000.00	58,210.45	-
Tennessee	1,233,000.35	824,148.15	408,852.20	145,266.42	478,227.94	162,583.60	36,450.19	-	1,620.00	-	223,100.00	182,362.20	3,390.00
Texas	2,500,329.96	1,466,322.39	1,034,007.57	260,920.43	795,775.47	275,252.46	50,515.24	82,238.79	1,620.00	-	384,216.70	647,448.87	2,342.00
Utah	308,446.54	173,469.78	134,976.76	27,534.10	57,596.34	51,339.54	22,132.38	13,607.42	1,260.00	-	84,355.76	50,621.00	-
Vermont	263,495.30	139,879.30	123,616.00	26,902.05	58,269.54	25,578.39	22,055.51	5,453.81	1,620.00	-	75,000.00	40,700.00	7,916.00
Virginia	1,378,694.92	672,554.85	706,140.07	134,126.66	374,361.83	125,730.92	35,095.44	-	1,620.00	1,620.00	492,371.07	212,784.00	985.00
Washington	686,701.84	307,697.41	379,004.43	68,315.60	142,282.78	68,387.08	27,091.95	-	1,620.00	-	148,991.67	230,012.76	-
West Virginia	693,825.53	420,705.53	273,120.00	107,955.11	211,331.54	67,886.24	31,912.64	-	-	1,620.00	205,530.00	62,900.00	4,690.00
Wisconsin	1,126,907.86	601,329.69	525,578.17	114,455.52	337,178.24	112,537.83	32,703.17	1,214.93	1,620.00	1,620.00	183,490.00	342,088.17	-
Wyoming	291,918.70	158,932.91	132,985.79	21,256.35	46,185.03	49,290.70	21,368.92	19,571.91	1,260.00	-	70,172.79	62,813.00	-
Alaska	32,950.00	23,950.00	9,000.00	13,950.00	-	-	10,000.00	-	-	-	9,000.00	-	-
Hawaii	351,070.59	153,900.84	197,169.75	21,394.87	66,699.96	26,569.59	21,385.77	16,590.65	-	1,260.00	197,169.75	-	-
Puerto Rico	532,655.19	244,935.19	287,720.00	103,315.19	140,000.00	-	-	-	1,620.00	-	287,720.00	-	-
Unallotted	71,620.00	71,620.00	-	-	-	70,000.00	-	-	1,150.00	470.00	-	-	-
TOTALS	\$44,548,272.03	\$23,406,840.06	\$21,141,431.97	\$4,718,660.06	\$12,140,000.00	\$4,410,000.00	\$1,490,000.00	\$555,000.00	\$58,480.00	\$34,700.00	\$10,738,157.11	\$9,058,557.87	\$1,344,716.99

Note: Excludes \$60,000 allotment to Puerto Rico, and \$6,500 to Alaska from the appropriation, "Salaries and Expenses, War Food Administration, Department of Agriculture".



RECEIPTS		PAYMENTS		BALANCE	
DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
1900-01-01	100,000.00	1900-01-01	100,000.00	1900-01-01	100,000.00
1900-01-02	10,000.00	1900-01-02	10,000.00	1900-01-02	90,000.00
1900-01-03	20,000.00	1900-01-03	20,000.00	1900-01-03	70,000.00
1900-01-04	30,000.00	1900-01-04	30,000.00	1900-01-04	40,000.00
1900-01-05	40,000.00	1900-01-05	40,000.00	1900-01-05	0.00
1900-01-06	50,000.00	1900-01-06	50,000.00	1900-01-06	50,000.00
1900-01-07	60,000.00	1900-01-07	60,000.00	1900-01-07	110,000.00
1900-01-08	70,000.00	1900-01-08	70,000.00	1900-01-08	180,000.00
1900-01-09	80,000.00	1900-01-09	80,000.00	1900-01-09	260,000.00
1900-01-10	90,000.00	1900-01-10	90,000.00	1900-01-10	350,000.00
1900-01-11	100,000.00	1900-01-11	100,000.00	1900-01-11	450,000.00
1900-01-12	110,000.00	1900-01-12	110,000.00	1900-01-12	560,000.00
1900-01-13	120,000.00	1900-01-13	120,000.00	1900-01-13	680,000.00
1900-01-14	130,000.00	1900-01-14	130,000.00	1900-01-14	810,000.00
1900-01-15	140,000.00	1900-01-15	140,000.00	1900-01-15	950,000.00
1900-01-16	150,000.00	1900-01-16	150,000.00	1900-01-16	1,100,000.00
1900-01-17	160,000.00	1900-01-17	160,000.00	1900-01-17	1,260,000.00
1900-01-18	170,000.00	1900-01-18	170,000.00	1900-01-18	1,430,000.00
1900-01-19	180,000.00	1900-01-19	180,000.00	1900-01-19	1,610,000.00
1900-01-20	190,000.00	1900-01-20	190,000.00	1900-01-20	1,800,000.00
1900-01-21	200,000.00	1900-01-21	200,000.00	1900-01-21	2,000,000.00
1900-01-22	210,000.00	1900-01-22	210,000.00	1900-01-22	2,210,000.00
1900-01-23	220,000.00	1900-01-23	220,000.00	1900-01-23	2,430,000.00
1900-01-24	230,000.00	1900-01-24	230,000.00	1900-01-24	2,660,000.00
1900-01-25	240,000.00	1900-01-25	240,000.00	1900-01-25	2,900,000.00
1900-01-26	250,000.00	1900-01-26	250,000.00	1900-01-26	3,150,000.00
1900-01-27	260,000.00	1900-01-27	260,000.00	1900-01-27	3,410,000.00
1900-01-28	270,000.00	1900-01-28	270,000.00	1900-01-28	3,680,000.00
1900-01-29	280,000.00	1900-01-29	280,000.00	1900-01-29	3,960,000.00
1900-01-30	290,000.00	1900-01-30	290,000.00	1900-01-30	4,250,000.00
1900-01-31	300,000.00	1900-01-31	300,000.00	1900-01-31	4,550,000.00
1900-02-01	310,000.00	1900-02-01	310,000.00	1900-02-01	4,860,000.00
1900-02-02	320,000.00	1900-02-02	320,000.00	1900-02-02	5,180,000.00
1900-02-03	330,000.00	1900-02-03	330,000.00	1900-02-03	5,510,000.00
1900-02-04	340,000.00	1900-02-04	340,000.00	1900-02-04	5,850,000.00
1900-02-05	350,000.00	1900-02-05	350,000.00	1900-02-05	6,200,000.00
1900-02-06	360,000.00	1900-02-06	360,000.00	1900-02-06	6,560,000.00
1900-02-07	370,000.00	1900-02-07	370,000.00	1900-02-07	6,930,000.00
1900-02-08	380,000.00	1900-02-08	380,000.00	1900-02-08	7,310,000.00
1900-02-09	390,000.00	1900-02-09	390,000.00	1900-02-09	7,700,000.00
1900-02-10	400,000.00	1900-02-10	400,000.00	1900-02-10	8,100,000.00
1900-02-11	410,000.00	1900-02-11	410,000.00	1900-02-11	8,510,000.00
1900-02-12	420,000.00	1900-02-12	420,000.00	1900-02-12	8,930,000.00
1900-02-13	430,000.00	1900-02-13	430,000.00	1900-02-13	9,360,000.00
1900-02-14	440,000.00	1900-02-14	440,000.00	1900-02-14	9,800,000.00
1900-02-15	450,000.00	1900-02-15	450,000.00	1900-02-15	10,250,000.00
1900-02-16	460,000.00	1900-02-16	460,000.00	1900-02-16	10,710,000.00
1900-02-17	470,000.00	1900-02-17	470,000.00	1900-02-17	11,180,000.00
1900-02-18	480,000.00	1900-02-18	480,000.00	1900-02-18	11,660,000.00
1900-02-19	490,000.00	1900-02-19	490,000.00	1900-02-19	12,150,000.00
1900-02-20	500,000.00	1900-02-20	500,000.00	1900-02-20	12,650,000.00
1900-02-21	510,000.00	1900-02-21	510,000.00	1900-02-21	13,160,000.00
1900-02-22	520,000.00	1900-02-22	520,000.00	1900-02-22	13,680,000.00
1900-02-23	530,000.00	1900-02-23	530,000.00	1900-02-23	14,210,000.00
1900-02-24	540,000.00	1900-02-24	540,000.00	1900-02-24	14,750,000.00
1900-02-25	550,000.00	1900-02-25	550,000.00	1900-02-25	15,300,000.00
1900-02-26	560,000.00	1900-02-26	560,000.00	1900-02-26	15,860,000.00
1900-02-27	570,000.00	1900-02-27	570,000.00	1900-02-27	16,430,000.00
1900-02-28	580,000.00	1900-02-28	580,000.00	1900-02-28	17,010,000.00
1900-02-29	590,000.00	1900-02-29	590,000.00	1900-02-29	17,600,000.00
1900-03-01	600,000.00	1900-03-01	600,000.00	1900-03-01	18,200,000.00
1900-03-02	610,000.00	1900-03-02	610,000.00	1900-03-02	18,810,000.00
1900-03-03	620,000.00	1900-03-03	620,000.00	1900-03-03	19,430,000.00
1900-03-04	630,000.00	1900-03-04	630,000.00	1900-03-04	20,060,000.00
1900-03-05	640,000.00	1900-03-05	640,000.00	1900-03-05	20,700,000.00
1900-03-06	650,000.00	1900-03-06	650,000.00	1900-03-06	21,350,000.00
1900-03-07	660,000.00	1900-03-07	660,000.00	1900-03-07	22,010,000.00
1900-03-08	670,000.00	1900-03-08	670,000.00	1900-03-08	22,680,000.00
1900-03-09	680,000.00	1900-03-09	680,000.00	1900-03-09	23,360,000.00
1900-03-10	690,000.00	1900-03-10	690,000.00	1900-03-10	24,050,000.00
1900-03-11	700,000.00	1900-03-11	700,000.00	1900-03-11	24,750,000.00
1900-03-12	710,000.00	1900-03-12	710,000.00	1900-03-12	25,460,000.00
1900-03-13	720,000.00	1900-03-13	720,000.00	1900-03-13	26,180,000.00
1900-03-14	730,000.00	1900-03-14	730,000.00	1900-03-14	26,910,000.00
1900-03-15	740,000.00	1900-03-15	740,000.00	1900-03-15	27,650,000.00
1900-03-16	750,000.00	1900-03-16	750,000.00	1900-03-16	28,400,000.00
1900-03-17	760,000.00	1900-03-17	760,000.00	1900-03-17	29,160,000.00
1900-03-18	770,000.00	1900-03-18	770,000.00	1900-03-18	29,930,000.00
1900-03-19	780,000.00	1900-03-19	780,000.00	1900-03-19	30,710,000.00
1900-03-20	790,000.00	1900-03-20	790,000.00	1900-03-20	31,500,000.00
1900-03-21	800,000.00	1900-03-21	800,000.00	1900-03-21	32,300,000.00
1900-03-22	810,000.00	1900-03-22	810,000.00	1900-03-22	33,110,000.00
1900-03-23	820,000.00	1900-03-23	820,000.00	1900-03-23	33,930,000.00
1900-03-24	830,000.00	1900-03-24	830,000.00	1900-03-24	34,760,000.00
1900-03-25	840,000.00	1900-03-25	840,000.00	1900-03-25	35,600,000.00
1900-03-26	850,000.00	1900-03-26	850,000.00	1900-03-26	36,450,000.00
1900-03-27	860,000.00	1900-03-27	860,000.00	1900-03-27	37,310,000.00
1900-03-28	870,000.00	1900-03-28	870,000.00	1900-03-28	38,180,000.00
1900-03-29	880,000.00	1900-03-29	880,000.00	1900-03-29	39,060,000.00
1900-03-30	890,000.00	1900-03-30	890,000.00	1900-03-30	39,950,000.00
1900-03-31	900,000.00	1900-03-31	900,000.00	1900-03-31	40,850,000.00

Table 2.--Statement of direct payments to States, Hawaii, Alaska, and Puerto Rico, indicating those requiring offset by States and Territories, those not requiring such offset, and basis of distribution, as estimated for 1947

Item	Total estimate, 1947	Amount to be paid without offset	Amount requiring offset and basis of allotment	
			Amount	Basis of allotment
1. Permanent annual appropriation (Smith-Lever Act)	\$4,704,710	a/ \$500,000	\$4,204,710	Rural population.
2. Capper-Ketcham Act	1,480,000	b/ 980,000	500,000	Rural population.
3. Bankhead-Jones Act, Section 21, Title II	12,000,000	c/ 12,000,000	- -	Farm population.
4. Bankhead-Jones Act, Section 23, Title II of the Act approved June 29, 1935, as amended by the Act of June 6, 1945 (Public Law 76)	8,330,000	- -	8,330,000	Farm population, except \$500,000 to be allotted by Secretary of Agriculture on basis of special needs.
5. Additional extension work	555,000	555,000	- -	Specified by law.
6. Alaska	23,950	d/ 20,000	3,950	Rural population.
7. Puerto Rico	140,000	140,000	- -	Specified by law.
Total, direct Federal payments	27,233,660	14,195,000	13,038,660	

a/ \$10,000 to each State, Hawaii, and Puerto Rico.

b/ \$20,000 to each State and Hawaii.

c/ \$20,000 to each State, Hawaii (balance on farm population basis).

d/ \$10,000 to Alaska (Act of February 23, 1929), \$10,000 to Alaska (Act of June 20, 1936).

#### Funds from State and Other Sources

The Federal funds for cooperative agricultural extension work, \$23,406,840 for the fiscal year 1946, are supplemented by funds from within the States estimated at \$21,141,432, thus making available from Federal, State, and local sources an approximate amount of \$44,548,272 for extension work. Table 3 shows amounts allotted to States and Territories from these Federal funds.

Table 3.--Allotments to States and Territories under Federal funds for cooperative agricultural extension work (including Clarke-McNary and Norris-Doxey extension allotment and excluding War Food allotment in 1946)

State	Appropriation		Budget Estimate	
	1946		1947	
Alabama .....	\$867,822.90:		\$1,039,447.50	
Arizona .....	137,330.74:		171,455.41	
Arkansas .....	722,204.46:		864,441.47	
California .....	553,533.02:		624,652.97	
Colorado .....	279,501.09:		316,813.03	
Connecticut .....	153,648.86:		160,291.94	
Delaware .....	85,582.98:		88,457.74	
Florida .....	283,588.93:		322,593.82	
Georgia .....	909,953.95:		1,084,715.27	
Idaho .....	212,618.48:		248,505.29	
Illinois .....	708,099.02:		833,188.01	
Indiana .....	572,673.70:		676,997.86	
Iowa .....	651,560.24:		770,503.19	
Kansas .....	481,355.52:		558,913.46	
Kentucky .....	826,049.59:		987,190.76	
Louisiana .....	578,361.14:		687,482.46	
Maine .....	196,747.22:		214,272.15	
Maryland .....	230,678.92:		262,065.69	
Massachusetts .....	159,998.53:		178,810.17	
Michigan .....	621,760.18:		733,038.88	
Minnesota .....	611,010.78:		727,883.49	
Mississippi .....	876,786.85:		1,056,086.43	
Missouri .....	747,554.75:		891,364.91	
Montana .....	227,110.21:		259,607.16	
Nebraska .....	418,280.45:		471,945.16	
Nevada .....	95,253.59:		103,280.51	
New Hampshire .....	106,891.26:		112,798.01	
New Jersey .....	192,683.31:		209,163.88	
New Mexico .....	200,351.59:		228,141.80	
New York .....	594,569.75:		687,910.20	
North Carolina .....	1,067,925.46:		1,279,980.64	
North Dakota .....	320,901.68:		362,807.66	
Ohio .....	765,786.65:		904,899.71	
Oklahoma .....	672,810.50:		791,702.59	
Oregon .....	242,376.85:		280,441.18	
Pennsylvania .....	762,644.58:		879,541.58	
Rhode Island .....	64,540.52:		65,452.21	
South Carolina .....	616,867.07:		733,995.61	
South Dakota .....	329,973.70:		369,249.13	
Tennessee .....	824,148.15:		987,147.56	
Texas .....	1,466,322.39:		1,742,278.82	
Utah .....	173,469.78:		188,843.43	
Vermont .....	139,879.30:		151,492.43	
Virginia .....	672,554.85:		798,607.34	
Washington .....	307,697.41:		351,195.46	
West Virginia .....	420,705.53:		488,765.39	
Wisconsin .....	601,329.69:		714,155.35	
Wyoming .....	158,932.91:		168,247.36	
Alaska .....	23,950.00:		23,950.00	
Hawaii .....	153,900.84:		160,512.80	
Puerto Rico .....	244,935.19:		244,935.19	
Reserve .....	71,620.00:		66,466.00	
Total	23,406,840.06:		27,326,686.06	



As the major purpose of the payments to States shown in Table 3 is for the employment of extension workers in counties and colleges, the following comparative statement is submitted showing agents employed:

Table 4--Extension field agents employed June 30, 1942  
1943, 1944, and 1945

	: June 30, : : 1942 :	June 30, : : 1943 :	June 30, : : 1944 :	June 30, : : 1945 :
State supervisors .....	628	653	654	633
Subject-matter specialists:				
Full-time specialists ...	1,340	1,285	1,287	1,268
Part-time specialists ...	346	390	358	386
Total specialists .....	1,686	1,675	1,645	1,654
Total with headquarters at colleges .....	2,314	2,328	2,299	2,287
County workers:				
Agricultural agents .....	3,844	3,730	3,671	3,502
Home demonstration agents	2,183	2,317	2,328	2,295
Boys' and girls' club agents .....	336	337	331	296
Negro extension agents ..	521	538	551	548
Total county workers .....	6,884	6,922	6,881	6,641
TOTAL .....	9,198	9,250	9,180	8,928

Number of counties in the States,

Hawaii and Puerto Rico ..... 3,115

Number of counties now having

one or more agents ..... 2,941



## WORK UNDER THIS APPROPRIATION

General Plan: For economy in financial accounting and other administrative purposes, certain funds for the conduct of Cooperative Extension Work in agriculture and home economics in each State and in Hawaii, Puerto Rico and Alaska have been merged. This includes funds appropriated pursuant to the Smith-Lever Act (May 8, 1914), the Capper-Ketcham Act (May 22, 1928), the Bankhead-Jones Act Section 21, June 29, 1935 and Section 23 of the Act approved June 29, 1935 as amended by the Act of June 6, 1945, and for Additional Extension Work (April 24, 1939).

Each of the 48 States and the Territories of Hawaii, Alaska, and Puerto Rico has a director of extension, a State administrative and supervisory staff, with headquarters in most cases at the State agricultural college; and county agricultural agents, county home demonstration agents, and assistant county or 4-H club agents, who have their offices usually at the county seats. With its State and county workers, and volunteer farm men and women leaders in the communities and neighborhoods, Extension reaches in a personal way about 80 percent of the farm families in the United States.

The traditional job of the cooperative Extension Service since it was authorized by the Smith-Lever Act in 1914 has been education through instruction and practical demonstrations. It is a cooperative job in that the Federal, State, and county governments cooperate in financing the employment of county extension agents whose work it is to demonstrate and otherwise carry useful information to farm people on their farms and in their homes. This information emanates from the vast research and other programs of the Federal and State governments and from the best experience of local farmers and homemakers. Increased food production and conservation, higher incomes, and improved standards of living, and better nutrition and health are brought about through using more efficient and economical methods of production, marketing, utilization, and homemaking.

Objective of Cooperative Extension Work: The activities of the entire cooperative extension organization in Washington and in the 48 States, Alaska, Hawaii, and Puerto Rico, are directed toward helping rural families through (a) developing an accurate understanding of the various specific programs affecting agriculture, the need for such programs, and ways in which individual rural families may cooperate; (b) encouraging rural people to utilize fully all available resources in solving current problems and in meeting new situations arising out of changing economic, social, and political conditions; and (c) stimulating them to take necessary steps to insure maintenance and improvement of nutritional and health conditions, economic welfare, family and community life, and the general standard of living in rural areas.

The Problem and its Significance: Extension workers, Federal, State, and county, are receiving more and more requests for leadership, guidance, and assistance in the activities of rural people. All during



World War II, the United Nations looked to the American farmers for necessary supplies of food for their people and armed forces. Extension project leaders and county extension agents adapted their plans and directed their efforts to help farm families make the greatest possible contribution to our country's agricultural program. The vast post-war adjustments bring new challenges and problems to cooperative extension agents. The need for rural education will be greater than ever before. Soldiers returning to the soil, fading war emergency markets, conservation and rebuilding of overworked soils, protection of the health of farm people, the necessity for improving rural living conditions -- all these problems and their solution call for understanding by the people. The confidence of rural people in their cooperative extension agents gained through many years' experience with food production and conservation programs, leads them to look to county agents for guidance.

Examples of Current Activities: Approximately 9,000 cooperative extension employees in the 48 States, Alaska, Hawaii and Puerto Rico, all technically trained in agriculture and home economics are teaching through demonstration, personal visits, local publications, and other ways, the economical production, conservation and distribution of foods, feed, and other raw materials; improved methods of homemaking, including nutrition, sanitation, health, thrift, and wise spending of available cash by farm families.

County agricultural agents in practically all the counties in the United States, county home demonstration agents in two-thirds of the counties, the County 4-H Club and assistant agents, conducted approximately 85,000 method and result demonstrations, and influenced 7,435,781 farm and rural families to adopt important and improved practices. The percentage of Negro families served was increased by the employment of 200 Negro War Food Assistants to work more intensely with Negro farm families. A total of 1,495 Emergency War Food Production and Conservation Assistants (men and women) and 1,004 emergency county office clerks were employed with the assignment of Emergency War Food Funds to the Extension Service.

In 4-H Club Work 1,600,000 rural boys and girls were enrolled through volunteer local leaders by the county extension agents, who devoted about  $28\frac{1}{2}$  percent of their time to this phase of extension work. The 1,654 subject-matter specialists familiar with the latest research information in their respective subjects, such as nutrition, poultry, and dairying, serve as State project leaders by furnishing information and guidance to extension agents and local leaders with reference to the latest remedies for farm and home problems as well as the most effective extension teaching methods. State Extension Directors and extension supervisors administered the work and furnished the agents information and suggestions relating to the most effective methods of program planning, extension teaching, and office management.

The Extension Service during 1944, supervised and trained over 1,132,000 cooperating voluntary local leaders who assisted with extension activities in the counties and communities. Neighborhood leaders

served down to the last community in most counties and States in taking important wartime food production and conservation information to farm families. They also supplied information on farm needs from the communities of the county, on through to the States, and to the Federal Government. These volunteer farmers, rural women and older youth constitute a potent educational force. They are willing and have the confidence of their neighbors. They are kept informed with a constant flow of simplified factual material and help county agents through personal contacts with neighbors, through meetings, and other means.

One of the main projects undertaken by the Extension Service was that of cooperating in the farm labor program in accordance with the Farm Labor Supply Appropriation Act under which funds were provided for recruitment, training and placement of farm labor. State extension directors were made responsible for the farm labor job in their respective States and made this project a major part of their extension activities. Determination of labor needs on farms was necessary. Itinerant labor was short owing to the war and other causes. Potential sources of additional labor - mostly nonfarm people - were surveyed and recruitment programs organized. Youth, through the Victory Farm Volunteers contributed greatly to the labor program and to food production. The Women's Land Army also contributed its part toward the solution of the farm labor problems. Behind the recruitment, training and placement of workers was the important aim of better labor utilization. Farmers throughout the nation were provided with detailed and comprehensive information of labor saving methods.

Farmers were confronted during the year not only with a lack of labor but also with a lack of new machinery. They found it impossible to get all the tractors, trucks, motors, and milking machines they needed. This meant repairing old equipment and using it again. The work was conducted in cooperation with all war agencies and with farm equipment manufacturers, dealers, and repairmen. Together these groups developed a program to help farmers utilize fully their machinery, equipment, and structures, as one means of reaching production goals. The program emphasized care, sharing, and repair of machinery. Work rings were formed to share labor and equipment in connection with planting, seeding, and harvesting. Work was also done on the problem of proper maintenance of farm buildings. Extension agents aided directly or indirectly in the maintenance or improvement of almost every type of equipment used on the farm and in the home.

There was no let-down in the efforts of the cooperative Extension Service to help farmers with the important job of conserving soil and moisture, not only for the immediate war effort but for the post-war period as well. Within the various States, the Extension Service continued to take a leading part in the educational work involved in soil and moisture conservation programs, working closely with the Soil Conservation Service, the Tennessee Valley Authority and state and county agencies.



Educational campaigns were conducted to prevent the repetition of the practice of plowing up grasslands and mining the soil, followed during World War I. Through demonstrations of better farming methods, farmers were given assistance in increasing the production of their lands and in keeping their soils from eroding. Poultrymen and dairymen were confronted with many problems during the year, and State extension services reappraised their programs to meet current needs, emphasizing labor-saving equipment, the culling of poultry breeding herds and flocks to remove inefficient animals, new ways to make the maximum use of roughage to lower production costs, the greater use of mineral and vitamin supplements to stimulate growth and thrift in livestock, adjusting poultry numbers to available feed supplies. The Government egg-purchasing program was explained and interpreted to poultrymen by the Extension Service and intensive campaigns were conducted showing the value of early cutting of hay where a lack of sufficient high-quality hay and roughage was threatened.

Control of plant diseases and insects was never more important than during the past year. The cooperative Extension Service assisted farmers in fighting these enemies of production, particularly in finding and using effectively substitutes for scarce insecticides and materials. The Extension Service was called upon to help control pests in and around Army camps, including kitchen pests and pests of stored products and those attacking cover crops alongside airplane runways. Youths, through 4-H Clubs, were trained to make cotton infestation counts. Leather was needed for the war effort and meat had to be conserved. As part of this conservation program the Extension Service demonstrated the proper ways to control cattle grubs that cut down the supply of both leather and meat. There were scores of other pests to fight and substitute materials had to be demonstrated to growers. New disease-resistant varieties of crops were also demonstrated to farmers.

Alaska: On account of the geographical location of Alaska, it is necessary to import large quantities of food supplies and materials direct from the States for human and animal consumption. The Extension Service is a dominant factor in assisting the farmers to produce as much food and feed as possible. Extension workers carry to the farming people the practical results of research of the U. S. Department of Agriculture and the University of Alaska, and teach the rural people, men, women, boys and girls, practical problems of the farm and home, both in production and marketing. The Extension Service also makes studies of local conditions that reveals crops, livestock, and agricultural practices that are most practical and successful, and makes the knowledge of the facts thus obtained available to all the rural people.

It has been found that the farmers who make a success in Alaska are those who settle on desirable land near a market for surplus produce and raise most of their own food. This requires diversified farming, including small dairy herds, a few brood sows, small poultry flocks, vegetable gardens and small fruits. Feed needed for livestock on small farms can be produced economically. Potatoes and root crops



crops supply farmers with a cash crop. Beef and dairy cattle and small farm flocks of sheep can be produced on these small farms.

The extension program in Alaska is built on livestock production with some emphasis on dairying, together with food and feed production for human and animal requirements. The territorial agricultural agents are devoting their time to livestock and food production, while the home demonstration agents work mainly on food conservation and preparation, nutrition, clothing construction and health. These home agents carry on work in the Matanuska Valley, Kenai Peninsula, Tanana Valley, and Southeastern Alaskan districts. Marketing problems are being worked out by all the agents, particularly in both Tanana and Matanuska Valleys. Soil building crops produced are potatoes, pasture, oats and peas, oats and vetch, peas and barley, and clover and vetch. Much stress has been placed on Victory Gardens on the farms and native villages as a means of feeding the family.

The major goal in 4-H Club work in Alaska for this year is to work on food production, such as gardens, potatoes and livestock and food conservation, like canning, freezing and drying. Other goals are clothing construction and conservation, foods and health. Over 600 different boys and girls are enrolled in these various projects. Local leaders, who have been trained to accept responsibility for the program, assist in this phase of the youth program. 4-H Councils, comprised of club members, have been organized in Anchorage, Seward, Matanuska Valley, Fairbanks, Ketchikan, Juneau and Sitka. Each club will conduct an achievement-day program at the end of the club year to inform the parents and the public concerning the benefits derived from 4-H Club work.

Puerto Rico: The principal problem before the farmers in Puerto Rico is food production. During 1943 and 1944 the Island suffered the most severe drought on record, which extended from October 1943 to May, 1944. This brought about a serious reduction in the per acre yields. Crop failure affected thousands of acres, and seeds of some of the tropical crops were lost or their quality affected. A year-round campaign of food production and preservation, both commercially and for home consumption, is being launched. Obviously, food preservation will run parrallel to food production for home or commercial purposes.

The population is underfed. It is necessary to remedy this situation by keeping the people well-informed of the necessity of a good diet to improve their health and well-being. Good nutrition is essential to good health. To accomplish this the Extension Service will emphasize the production and use of the most nurtitious foods, such as vegetables, fruits, livestock and their products.

The Island has been divided into four zones, namely, Eastern, Southern, Western and Northern, for supervisory purposes. District leaders, both men and women, have been placed in charge of each zone. This action has proved helpful in closer supervision with less travel under present conditions. These leaders have agreed that several adjustments

and changes will have to be made in order to adapt the program to all kinds of local situations and to assist rural people in readjusting their programs to meet problems arising upon completion of the war.

4-H Clubs on the Island have accomplished good results. More supplementary practical education is needed for a large number of youths. Out of 334,000 youths of club age, more than 200,000 are now out of school. There are about 100,000 boys between the ages of eighteen and twenty-six years, who belong in the older rural youth group. Food production and conservation, especially of the more critical food-stuffs, such as eggs, meat, milk, cereals and vegetables, are being emphasized among the club groups. The number of 4-H Club members in 1944 was 10,150 and the goal for 1945 was 12,292.

Leadership will be emphatically stressed during this year. The organization of the neighborhood leader system will continue until it is adequately established in every rural community. This system will be the channel through which food production, health, nutrition, salvage, conservation, safety, and other programs and activities will be carried from the county extension offices to the rural families. A higher cooperative spirit among all members of the rural family will be stimulated through proper leadership training.

Arrangements have been made by the Extension Service and the Experiment Station to establish demonstration and test farms on the Island. Nine such farms have already been located in the central and western part of Puerto Rico. The Experiment Station pays for all expenses in connection with the research problems undertaken. Tests serve to prove conclusions reached at the Experiment Station and, at the same time, as practical demonstrations to farmers within the areas covered. A complete plan is worked out for each demonstration farm under the direction of the subject-matter specialists serving as technical directors for projects adapted to the areas. Both result and method demonstrations are carried out with teaching in a practical way on how to do things correctly and what the best practices are. Demonstration farms are also excellent places where county extension agents, both men and women, can conduct training meetings and extension schools.



(b) Salaries and expenses, Administration and Coordination  
of Extension Work

Appropriation Act, 1946 .....	\$697,900
Anticipated supplemental for additional costs due to the Federal Employees Pay Act of 1945 (estimated additional costs \$94,165, offset in part by absorption of \$34,165 including \$10,000 provided for bulk mailing costs under Section 3, Public Law 364, 78th Congress) .....	+60,000
Total anticipated available, 1946 .....	757,900
Budget estimate, 1947 .....	776,900
Change for 1947:	
Overtime decrease -10,165	
Increase +29,165 .....	+19,000

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
1. General administration and business service ...	\$126,430:	\$156,657:	\$166,258:	+\$9,601
2. Review and analysis of State budgets, projects and plans, and examina- tion of State expendi- tures from Federal pay- ments .....	57,279:	56,821:	57,551:	+730
3. Planning and coordina- tion of State and county extension work .....	120,745:	137,883:	141,637:	+3,754
4. Development of technical subject matter for use by State extension forces:	176,030:	192,736:	205,710:	+12,974
5. Field studies of exten- sion work, and the train- ing of extension workers :	73,812:	88,974:	90,686:	+1,712
6. Preparation and distri- bution of visual material: and extension literature to Department and State extension forces .....	94,251:	114,664:	115,058:	+394
7. Overtime pay .....	84,410:	10,165:	- -:	-10,165
Covered into Treasury as miscellaneous receipts, Public Law 529 .....	420:	- -:	- -:	- -
Unobligated balance .....	47,466:	- -:	- -:	- -
Total available .....	780,843:	757,900:	776,900:	+19,000 (1)
Transferred to "Salaries and expenses, Office of Information" .....	+5,000:	- -:	- -:	
Anticipated supplemental .	- -:	-60,000:	- -:	
Total estimate or appropriation .....	785,843:	697,900:	776,900:	

(1) Please see next page.



INCREASES OR DECREASES

(1) The net increase of \$19,000 in this item for 1947 consists of the \$10,165 decrease for overtime, and increases explained below, distributed by projects as shown on the preceding page:

(a) An increase of \$5,000 for placing on a full-year basis in 1947, within-grade salary advancements which are estimated to be in effect for only a part of the fiscal year 1946.

(b) An increase of \$24,165 to provide for a part of Federal Employees Pay Act costs in 1947 which are being absorbed in 1946. The inability to secure qualified personnel resulted in accrued savings in the first six months of fiscal year 1946, permitting the absorption of a portion of the additional costs of the Federal Employees Pay Act. The work has suffered because of the lack of trained workers and additional assistance is vitally essential. The demands upon the Federal Extension Service for leadership to coordinate, direct, and assist in the organization and development of educational programs in agriculture and home economics for farm people are steadily increasing. With the improvement in employment conditions and the return of veterans, it is anticipated that the entire amount requested for 1947 will be required.

CHANGE IN LANGUAGE

It is proposed that the following language contained in the appropriation "Administration and coordination of extension work" in the 1946 Agricultural Appropriation Act, relating to cooperation in effectuating the purposes for which the appropriation was made, be deleted in the language for the 1947 estimates:

"\* \* \* including cooperation with other bureaus and offices of the Department, and Federal, State, county, and other agencies, in the development, preparation, and distribution of educational material designed to increase the effectiveness of cooperative extension work as conducted by the Department in cooperation with land-grant colleges \* \* \*"

The sole purpose of the proposed deletion of this language from the appropriation is to shorten and simplify the item. The clause proposed for deletion is considered surplusage and, therefore, need not be retained in the annual appropriation act, the cooperative work being authorized by the Act of May 15, 1862 (5 U.S.C. 511), establishing the Department of Agriculture (as implemented by the Act of July 24, 1919 (5 U.S.C. 563-564)), and the Act of May 8, 1914 (7 U.S.C. 342), providing for the cooperative agricultural extension system. Elimination of the language from the annual appropriation act will not—in any way—change the scope or character of the work performed under this appropriation item, or the authority of the Department to cooperate with other agencies, institutions, organizations, or others in the conduct of such work.

## WORK UNDER THIS APPROPRIATION

Objective: To represent the Department in the administration, through the State agricultural colleges, of the Nation-wide system of cooperative extension work in order that it may function nationally, as well as on a State and local basis, as an effective educational force to help every rural family.

The Problem and its Significance: Under the leadership and direction of the Federal Extension Service, the activities of the entire cooperative extension organization in the States and Territories are directed toward carrying out the general educational work in agriculture and home economics essential to the success of rural family life and of the programs of the Department. Large scale readjustments are inevitable during the reconversion period and educational responsibilities connected therewith are great. The Extension Service is looked upon as the educational arm of the Department, and as such, is accepting the responsibilities and developing the opportunities presented in better preparing farm people for the many adjustments that must be made--developing out of extension experience, guiding principles that will be most helpful in the postwar transition period.

Skillful planning and wide use of technical information will be required. Requests from rural people for assistance have greatly increased. It is essential that State and county extension workers be supplied with many types of materials, directions and plans to aid them in carrying on their work effectively; that State plans of work be reviewed to serve as a basis for work of staff members in the States; that outlines of plans of campaigns, illustrative and educational material be prepared; that necessary conferences be planned and followed up; and that special studies be made of the effectiveness of extension work.

Approximately 200,000 replacements are needed each year to operate the 6 $\frac{1}{2}$  million farms in the United States. These new farm opportunities should be assumed by the best-trained and best-fitted young men and women as they reach maturity. It is imperative to the long-time best interests of agriculture and the nation that these new operators be skilled and informed in modern farm and home subjects and techniques. Training for adults as well as youth in vocational, family life, civic, and cultural fields for the purpose of improving the social and economic life of rural people is essential.

General Plan: The Federal extension office functions as an administrative organization for the whole cooperative agricultural extension service. It promotes close cooperation between the Federal Department



of Agriculture and the State land-grant colleges in aiding rural people to attain more efficient farming, better homes, and a larger rural life. It administers the various acts of Congress relating to extension work which involves policies and programs for cooperative extension work, and review of budgets for state extension activities, projects, plans of work and financial reports to ascertain that Federal contributed and state offset funds are expended in accordance with the applicable laws and agreements. General supervision is maintained of the work of the large field force which centers in and clears through the Federal Extension Service, in order that national standards and principles in organizing and conducting extension work on the county level will be followed throughout the country.

Assistance is given to State extension services by adapting technical subject matter in agriculture and home economics to the needs of rural people and channeling to them, through State and county workers, the results of Department research. The county extension agents depend upon the State extension specialists for information and guidance in solving farm problems. The State specialists in turn are dependent upon the Federal extension subject-matter specialists and economists who serve as liaison between the several agencies of the Department and the colleges. They also act as leaders in developing subject matter and economic educational programs on a regional basis.

Field studies and personnel training activities are conducted to make extension work more effective. In a decentralized educational system, such as the cooperative extension service, it is exceedingly important that a continuous program of field studies be conducted to determine the effectiveness of organizational structures, programs, and methods, and provide a factual basis for improving procedures and techniques. It is equally important that the new field personnel be given suitable training and that the older workers be kept abreast of current developments and be informed and practiced in the best known methods of conducting extension work.

A program of visual and information aids which interpret and support the Department's program is developed for local adaptation and educational use by State and county extension workers. The teaching and informational media used, include publications, radio, newspapers, circular letters, slide films, photographs, charts, and the like. Each agricultural program of concern to rural people requires the preparation and wide distribution of specific information and educational aids.

Examples of Current Activities: Following are brief functional statements for the various projects, and examples of recent activities to show progress on one or more aspects of the broader problems confronted.

General Administration and Business Service: This project includes the work of the Office of the Director and Assistant Director of



Extension Work and the Division of Business Administration. The Office of the Director has general direction and supervision of the nationwide system of cooperative extension work, including determination of policies and procedures. Business operations for the Federal Extension Service are grouped under the Division of Business Administration and include primarily, personnel, budget, fiscal, procurement, and similar activities.

Review and Analysis of State Budgets, Projects, and Plans, and Examination of State Expenditures from Federal Payments: The staff under this project reviews all annual budgets and plans of work submitted by the States and Territories, as required by the Smith-Lever and supplementary extension acts. Due to the enlarged program assigned to the Extension Service more than 1200 plans of work were reviewed in the fiscal year 1945 covering expenditures of more than \$56,000,000 of Federal and State Extension and Farm Labor funds. Vouchers involving approximately \$37,000,000 of Federal and State offset funds, including payrolls and travel expenses, were reviewed to determine if each expenditure is in accordance with the purpose of the appropriation, limitations placed by Congress, and in line with approved work plans and projects.

Staff members assigned to this project represent the Federal Director of Extension in making the regular review of extension work. It is necessary to make a thorough analysis and appraisal of work under way, to make definite recommendations based on wide experience and knowledge of cooperative extension work, and to the extent possible, to advise with State Directors of Extension regarding administrative policies and procedures. The State Directors and members of their staff request and receive assistance in developing better projects and plans of work, designed to strengthen their organization and extension procedure. Marked improvement has been noted as a result of more general use of plan of work outlines developed in the Federal Extension office. During the next fiscal year special emphasis will be placed on having all plans reflect the necessary post-war adjustments and special advisory assistance to returning veterans. The ratification of the United Nations Charter by the United States presents the Extension Service, as well as other educational agencies, with the problem of integrating subject matter on international organization into educational programs. This is particularly true of the Food and Agriculture Organization and the part it can take in world peace and prosperity.

Planning and Coordination of State and County Extension Work: The technical staff, working closely with State Extension directors and supervisors of county agents, is especially concerned in guiding and directing the activities of 535 Extension supervisors, 3545 county agricultural agents and assistant agents, 2280 county home demonstration agents, 269 county 4-H Club agents and assistant agents, and 544 Negro extension agents (also 1455 white emergency war food agents and 195 negro emergency war food agents which augmented the field force in 1944-45). Involved is the development of effective planning

and coordination of programs of specialists, county extension workers, volunteer leaders and various agencies of the government. The work is of a coordinating and educational nature and involves the translation of extension policies and programs to the States and counties, also the reporting of situations and problems from the counties and States to the Federal Service for appropriate action. Members of the staff visit the States as frequently as needs arise and time permits, averaging about 25 visits per year.

The range of activities, operations, and working relationships include:

- (1) Aiding the Federal Director and his staff in developing of extension policies by informing them of State situations, problems, needs and viewpoints; by interpreting Federal extension and Department objectives, policies, and programs to State extension directors and their staffs; appraising the effectiveness of the extension program as reflected in the contacts with county extension agents and farm people; acting as leaders of special programs to be organized and carried on in the States, such as, the 8-Point Dairy Program, the 7-Point Cotton Program; Victory Gardens, Home Food Production and Preservation, salvage, scrap and other drives.
- (2) Cooperating with Federal Extension specialists, as well as various agencies of the Department by informing specialists of current State situations and by working with them in correlating their work with the whole extension program; developing mutual integration of projected work for the better solution of existing State and area problems.
- (3) Aiding State extension directors and supervisors to develop extension programs and work based on actual situations and needs of farm people; demonstrating and planning the use of surveys, spot checks and studies with local leaders; assisting in the analysis, interpretation and use of data which have bearing on program development, and showing how such programs should be put into action.
- (4) Assisting State Directors and supervisors to improve the supervision of extension workers by helping them in field work, analyzing and evaluating problems of organization, personnel and personnel management, relationships and the supervisory needs of a State; setting up standards for supervisory functions and responsibilities, personnel, program development, county and State plans of work, training personnel, selecting and training local leaders, helping prepare supervisory plans of work based on county situations and needs.

The victory garden and home food preservation campaign spear-headed by this staff and featured by a national garden conference and four regional conferences, despite a very backward



season, was as fully successful as last year. It has been estimated that since Pearl Harbor 4-H Club members have contributed the products of 800,000 acres to the world's nutritional security. The 4-H Club work showed a record of 1,600,000 members and very great support of war food production, bond drives, and other war programs. Featured too, was the organization of the National 4-H Post-War Planning Committee, which has arrived at some recommendations which will greatly influence club work. A great deal has been done by members of this staff also in helping State people develop a better system of using local volunteer leaders in 4-H Club work.

Extension work in the home demonstration field has proved to be of much help to the States in instituting methods of developing programs better fitted to the needs of the people, as well as in training supervisors generally to organize better programs. Through the efforts of members of this staff, work of the emergency war food assistants was better organized and supervised in many States. A great deal has been done also in improving the training and use of local volunteer women leaders. Encouraging progress has been made in interesting the State Extension Services to awaken public opinion to the needs for helping improve rural health situations through specific educational programs, especially with 4-H Clubs and rural women's groups. Extension work with Negroes has been given new stimulus and direction through the organization and direction of an all South Conference of Negro State supervisors.

Various members of the Extension Service staff act in a consultant capacity in connection with many conferences of various Federal groups and agencies in planning and directing programs of national origin. In many cases written materials are prepared and sent to State and county people to help them adapt improvement programs to their situations.

Development of Technical Subject Matter for Use by State Extension Forces: Subject-matter work of the Extension Service during the war was developed around the programs to coordinate the efforts of various public and private agencies supporting the Department's goals and objectives. The subject-matter specialist staff provides State and county extension forces with the results of research and essential information regarding national programs for agriculture. The work is divided along the following lines of activity:

(a) Subject-matter for Cooperative Extension Work in agriculture and home economics is planned and coordinated by a staff consisting of 26 subject-matter specialists, one consultant and 2 collaborators, assigned to projects and activities in agronomy, agricultural engineering, animal husbandry, cotton ginning, dairy husbandry, entomology, forestry, horticulture, meat, plant pathology, poultry, soil conservation, work simplification, safety and fire control, clothing, food preservation, health and nutrition, home industries, home management, home furnishings, parent education, and recreation. These specialists



conduct the work of coordinating Federal and inter-state subject-matter for cooperative extension work in the 48 States and Hawaii, Alaska, and Puerto Rico, and carry improved methods of conducting subject matter extension work to State extension workers.

Organization of agricultural and home economics subject matter involves cooperation with 24 Bureaus and Agencies of the U.S.D.A., and 10 other government offices with staff representation on 110 committees and other working groups; and representation or membership on 28 National technical or scientific organizations with membership on 39 committees of these organizations. Agricultural programs coordinated in extension subject matter included: (1) The production of crops for food, feed, fiber, oil, seed, pastures; (2) Livestock and Products - meat, milk, eggs, hides, wool, surgical sutures, etc.; (3) Livestock Conservation Program; (4) Poultry Conservation Program; (5) 8-Point Milk Program; (6) Victory Garden Program; (7) various insect control campaigns; (8) plant disease control; (9) farm equipment use and conservation for machinery, transportation, buildings; (10) Farm Fire Control Program; (11) Farm Safety Campaign; (12) conservation of soil under agricultural war program. Farm family living programs included: (1) nutrition and health; (2) food preservation; (3) parent education and child training; (4) family economics; (5) clothing; (6) recreation; and, (7) home industries and crafts.

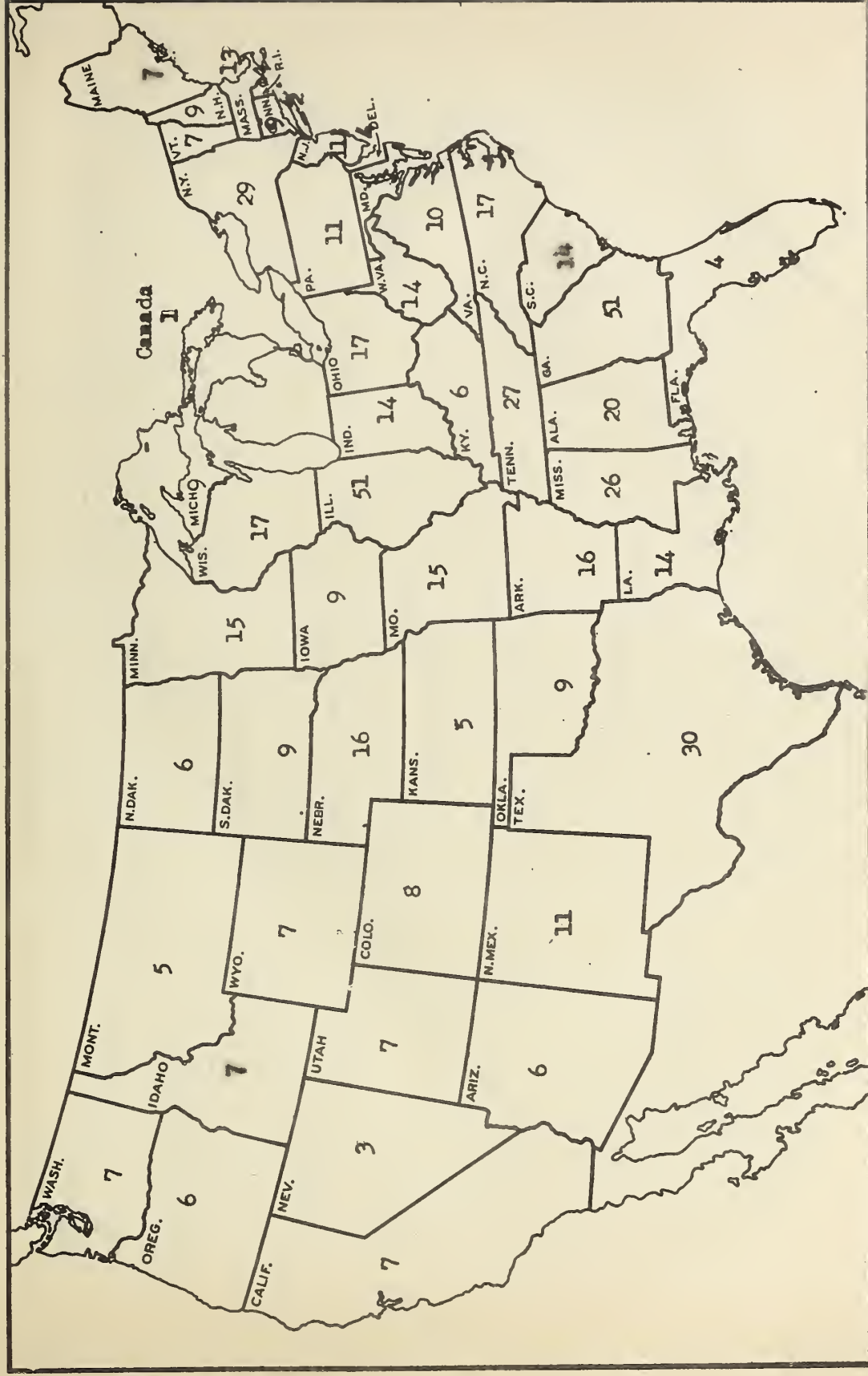
Agricultural and home economics subject matter is disseminated for use in cooperative extension work by gathering scientific and other source material and preparing it for State extension specialists or other State and county extension workers to use through information channels of press, radio, or publications; or for visual aids, demonstrations or other media of instruction serving farm families.

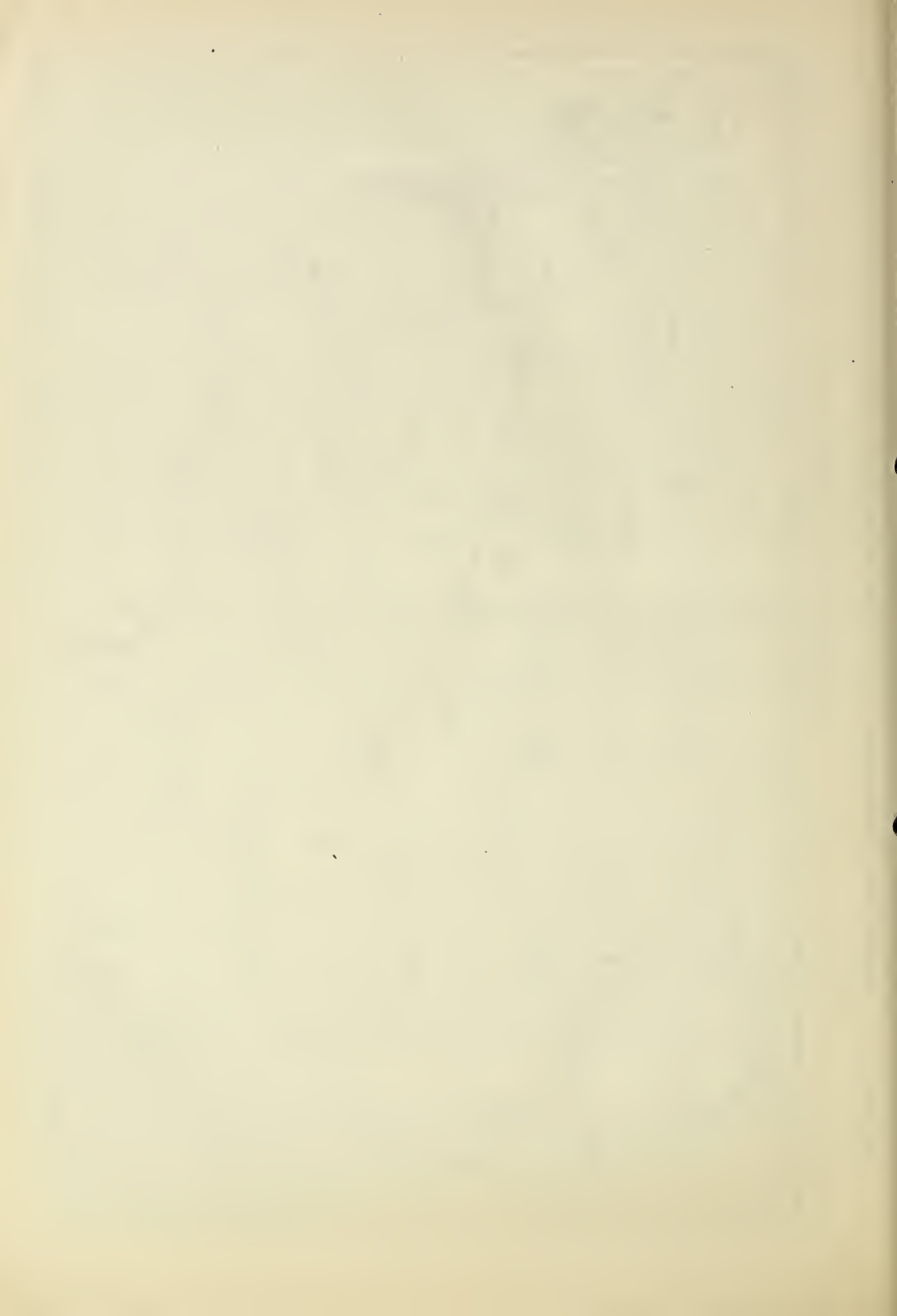
During the past year twenty-six specialists and two collaborators made 636 visits to 48 States. This is an average of over 13 per State for the year. The distribution of the visits by States is shown on the accompanying map, #1. The number of different subject-matter programs carried by specialists to each State in field work is shown on Map #2. The distribution of this field work by projects was made in conformity with State needs and approval by State Directors. The requests for such aid could be met only partially because of lack of personnel to service some special fields of subject matter and limitations on travel. All of the major programs outlined previously in this report were carried successfully to the field and supported vigorously by State extension specialists in the State cooperative extension work. Cooperation in work-planning conferences, and in-service training in various techniques in subject matter were provided in most of the State visits of all specialists.

Livestock extension production and conservation activities include programs to meet dairy, beef, pork, poultry and egg production needs; proper utilization of feed supplies; protection of livestock and meats from diseases and pests; maximum use of pastures; salvage of fats; home curing and canning of meat; and labor-saving practices and equipment.

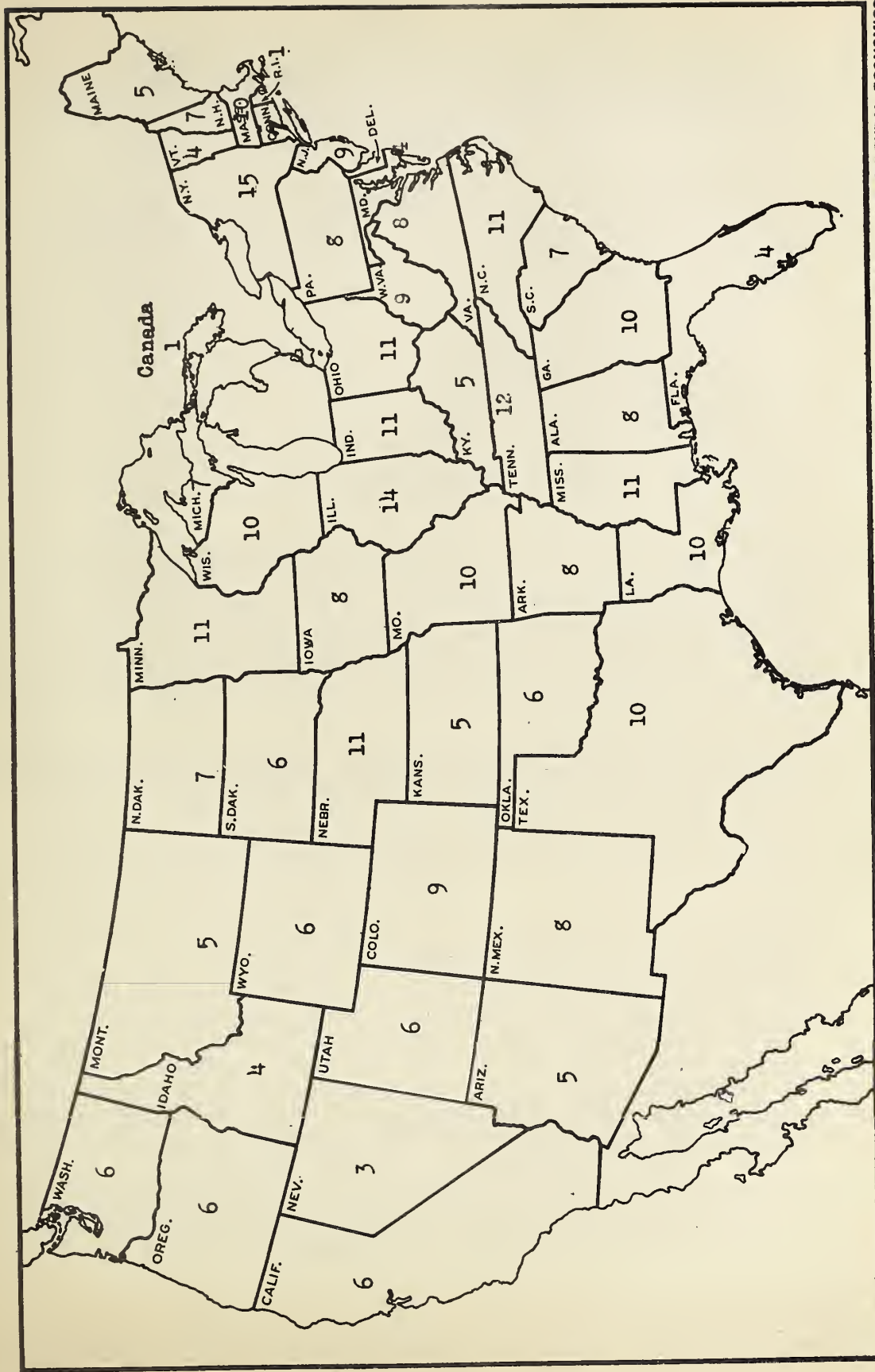
Map No. 1 Number Field Visits Made by 26 Subject Matter Specialists and Two Collaborators

from July 1, 1944 to June 30, 1945











Special aids of science to livestock production include: national poultry improvement plan; artificial insemination; performance testing; proved sire breeding; controlled breeding; balancing livestock and feed; use of mineral and vitamin supplements.

Home economics extension activities include: nutrition education, planning the family food supply; home food production including gardening, fruits, poultry, dairy products, honey, etc; improved methods of home food preservation by canning, curing, drying, freezing, brining and storage. Health programs in sanitation, safety, physical fitness, rural health centers and clinics. Home management including family financial planning; outlook and trends, shopping and buying, farm women's markets, household equipment and repair clinics; control of household insects and pests; wardrobe inventory and planning. Family life including high home morale, recreation, youth centers, better babies clubs, and post-war family adjustments. Home industries including meeting the need for home furnishings and household supplies, and handicrafts for rehabilitation of returning veterans.

Rural housing and farm building activities include programs on repairs and alterations of farm buildings necessitated by changes in food production and need for farm storage facilities. Postwar housing plans have required the attention of the specialists concerned in both agricultural engineering and home economics to prepare for the training of extension personnel in planning, remodeling, or construction of farm dwellings.

Farm safety and fire control extension work is coordinated with that of other government bureaus and agencies. Three campaigns are conducted each year for (1) Spring Clean-up Week, (2) National Fire Prevention Week, and (3) Farm Safety Week. Subject matter service to the State Extension Services is conducted throughout the year to prevent farm and home accidents and destructive fires.

Subject matter in extension work actually reaches farmers in the indirect effect and a majority of extension local leaders are looked to by their local following because of their reputation for proficiency in a special field of agriculture or homemaking in which they receive help from the Extension Service. Practically every farm, farm home, and Victory garden follows programs and uses subject matter recommendations coordinated and serviced by specialists of this staff. Increases in production, efficiency in production, conservation of human and natural resources, efficient utilization of scarce equipment, storage facilities, fertilizers, insecticides and various farm and home supplies depend on sound subject matter guidance placed before the public with well-coordinated authoritative emphasis in cooperative extension work. This staff contributed to the soundness of the programs to assure their success.

Supervision and cooperation is provided in Washington for extension work in cotton ginning and grade improvement. The Federal Extension cotton ginning specialists are located at Atlanta, Georgia, Stoneville,



Mississippi and Dallas, Texas throughout the year, to serve State Extension Services more directly in field work. Cotton grade records indicate forcefully the need for attention to better harvesting and ginning. Using the production of Strict Middling and better (White and Extra White) as an index of the general trend in diminishing production of the higher grades in demand, the record declined in percentage of the total cotton crop from 47.4% in 1934 to 4.8% in 1944. Middling and Better (White and Extra White) has varied in a descending scale from 76% to 47.1% in the same years. The lower grades have increased correspondingly and the carry-over and the percentage of lower grades in the carry-over is becoming more burdensome. Numerous factors influence this situation adversely such as increase in the percentage of 1-inch or better staple produced; scarcity of cotton pickers and competition of tobacco for harvesting labor; deterioration of cotton-ginning equipment; and the loss of large numbers of gin operators during the war. The most direct attack on the problem has been followed, namely to: (1) conduct campaigns for clean early picking; (2) aid a large number of the 10,000 cotton gins with direct advice on improvements in gin equipment, its operation, and the conditioning and handling of the seed cotton, baled cotton, and seed to preserve the natural value; (3) conduct training schools for cotton ginners.

Cotton ginning for grade improvement involves correlation not only with improvement of harvesting practices to make better ginning possible, but also with sound cotton marketing on a grade and staple basis to assure the farmer of a suitable reward for his effort. This grade improvement program has this year been geared in with other cotton production elements in developing a South-wide program known as "Seven Steps for Extra Cotton Profits" and is coordinated with all related subject matter and the programs of government and private organizations.

Cotton Ginning specialists also cooperated closely with State extension workers. In the field work, 120 field trips were made into 15 cotton producing States and included planning conferences, farmers' meetings, ginners' meetings and training schools. Nearly 3,000 cotton ginners and producers were aided. Over 1,500 individual gin visits were made, 988 by Federal specialists and approximately 850 by State specialists. Over 15,000 letters were mailed and over 60,000 posters to promote better picking practices were distributed.

(b) Subject matter for Cooperative Extension work in agricultural economics may be divided into four groups, farm management and general economics, marketing, rural sociology, and farm credit. The professional staff consists of four members assigned regional responsibilities on farm management and general economics; four members with national responsibilities in marketing on a commodity basis; and one each working nationally on farm credit and rural sociology problems.

The staff assists States in developing and further improving their extension programs in economics and related fields, assists State economists in developing appropriate plans of work and annual reports and reviewing these as they are submitted to the Federal Extension office;

develops educational programs on special problems in connection with the war and the post-war period of a social and economic nature; reviews economic research work developed by research agencies and assists in incorporating their findings into State economic extension programs; works with other Federal agencies in developing programs of an economic nature such as outlook, post-war planning, price control and support programs, and production goals; informs State extension workers of action taken by Federal agencies which will affect farmers and also reflects farm reaction to Federal programs of the Federal action agencies; develops regional or national economic analyses pertinent to special problems.

Some examples of methods used and progress achieved are as follows:

Increasing Food and Fiber Production. Extension economists served on national committees to establish State goals for all the major agricultural products and helped organize and conduct State and district goals meetings. At these meetings incentives for, and possible difficulties in achieving goals were explained to State and county workers. This information then served as the basis for an educational program with farmers.

During the year Extension economists in farm management contacted all the States to assist in developing programs to increase farm output and efficiency. Improvement in farm layout, farm organization, labor utilization and day-to-day farm management are given particular emphasis. Teaching techniques and methods were discussed as well as the technical aspects of these problems.

Economic Information Outlook. Extension economists helped organize and conduct the national outlook conference last fall with 110 workers representing 44 States in attendance. During the year the facts and situation regarding the outlook for machinery, fertilizer, feed, insecticides and containers were subject to sudden change. For this reason Federal economists continued throughout the year to prepare outlook statements for State workers so that they might keep county workers and farmers informed of the latest developments.

Farm and Home Financial Planning. With farm income at record levels, Federal economists have considered the development of a strong program in wise financial management of major importance. To aid in this program a number of bulletins and releases have been prepared including Farm and Home Financial Planning, Farm Bookkeeping and the Federal Income Tax, Farm Land Values and a Sound Investment Program, Land Value Clinics or Farm Appraisal Demonstrations, and War Bond Information for Extension workers. A program to help control land values was given emphasis through land appraisal demonstrations which have been organized in cooperation with the Farm Credit Administration, Farm Security Administration and Vocational Agriculture. In helping States, Federal economists have participated in the land appraisal clinics and have helped conduct training schools for county workers in farm and home financial planning.



Veterans Advisory Service. Extension economists have been called upon to prepare informational material required for the Extension Service to perform its designated responsibility to veterans and others interested in getting established in agriculture. Federal Extension economists have assisted individual States in outlining and preparing bulletins and circulars, and have summarized and distributed, nationally, material and procedures developed by the various States. Assistance has been given Army officials in training personnel to advise veterans at separation centers regarding opportunities in agriculture. They have also consulted with national commercial organizations which are preparing motion pictures and other materials for veterans interested in farming. Results achieved in this field have been gratifying because of the large number of excellent bulletins and circulars that have been made available during the last year and the thorough training given local leaders who will advise veterans.

Marketing Facilities and Services. Extension economists in marketing have worked with private and public agencies in solving the many marketing problems that have developed during the year in transportation processings, storage, containers and prices. Additional facilities have been provided and producers have been furnished with the facts which would encourage them to market in an orderly manner. At regional conferences longer-time marketing programs have been developed in cooperation with State economists and production specialists, the primary objective being to coordinate production and marketing practices to most effectively meet the demands for specific products. They have assisted State economists with organizational, operational and financial problems of farmers' cooperatives.

Post-War Planning. Federal Extension economists serve on regional post-war planning committees and have helped prepare national and regional reports. They have also prepared material on the post-war outlook for agriculture and have led discussions of the probable effects of alternative national policies on our economy. During the past year the Extension Service has been particularly interested in the international organizations that have been proposed to preserve peace. Federal economists have assisted State specialists by preparing material on international trade, the Food and Agriculture Organization of the United Nations, and other phases of the United Nations Organization that affect rural people.

The staff with the cooperation of State Extension economists and rural sociologists, developed post-war plans at a conference in Washington. The important economic and social problems which farmers are likely to face in the future were considered and evaluated. Not only were these problems reviewed but programs were developed and methods suggested which will enable State and county Extension workers to effectively assist farmers with such problems. The report which is being prepared as a result of the conference will be distributed to State Extension Services.



Rural Social Organization. Much of the time and effort of the Federal specialists in rural sociology during the past year has been devoted to working with the Federal Advisory Committee on Voluntary Leaders. This Committee is appraising present methods and approaches to rural leadership development. It is giving leadership to this work in the States and is setting up and guiding leadership studies in the counties.

Summary of Field Activities and Committee Assignments

Number of : Months :		State Contacts :		Regional Conferences			
Employees :	Employed :	No. State :	No. Days :	Number :	Days :	Number	
:	:	Contacts :	Spent :	Attended :	Spent :	Committee	
:	:	:	:	:	:	Assignments	
11	: 124 $\frac{1}{2}$	: 246	: 740	: 28	: 59	: 47	
:	:	:	:	:	:	:	

Field Studies of Extension Work, and the Training of Extension Workers: The staff of this project studies organization structures, administrative procedures, and training and teaching techniques which provide a basis for increasing the effectiveness with which cooperative extension employees conduct their work. Current programs of work for field studies are as follows:

A Nation-wide Study of the Evaluation of the Job of the Home Demonstration Agent and Recommendations for a More Effective Program.

Home demonstration agents in 46 States were selected by random sampling following the suggestions of the Bureau of the Budget to obtain data on the activities of home demonstration agents. One hundred seventy-three agents in 46 States have made reports on problems faced by home demonstration agents and on the type of supervision she gets and wants. The summary has been presented to State home demonstration leaders, home demonstration agents, and home management specialists. These facts are enabling home demonstration agents to use their time more effectively. An intensive study of home demonstration organization in six counties in Massachusetts is under way. This study is concerned with coverage, local responsibility, and program accomplishments both in the homes and in the communities.

Case Histories. Historical or long-time stories of specific situations faced, solutions tried, and results obtained were assembled. Thirty case histories were based upon information on file in the Washington office and supplemented by information or studies in the States. These studies were used as a basis of the Conference for War-Torn Countries in Washington, D. C. in September, 1944. The studies, or case histories, are now being analyzed in order to develop an outline for gathering additional histories to be used in analyzing the effectiveness of longtime extension programs.

Compilation of Extension Research. A bibliography of extension research (418) has been completed and issued. It is the plan to issue supplements to this bibliography as the accumulation of material warrants.

Readability of Extension Written Materials. Written materials submitted by Extension Services of 47 States and Puerto Rico have been analyzed as to readability and suggestions have been made for simplification. Plans are under way to make studies in several States to test written material in the field against the readability levels. A 2-week publications workshop was held in Teachers College, New York City, with six studies planned in the evaluation of extension publications.

Spot Checking. One of the major responsibilities of this staff was to develop plans for sampling populations for field studies. The spot-check plan was developed in three ways for different conditions of the country: (a) Township Plan: For sections of the country laid out along township lines, as in the Midwest (Ward County, North Dakota). (b) Cross-hatch Plan: For sections of the country not laid out along township lines, as in New England (Windham County, Connecticut). (c) Neighborhood Plan: Also for sections of the country not laid out along township lines.

- (a) Survey of Extension Radio Programs, Ward County, North Dakota. - North Dakota requested the Division of Information and the Division of Field Studies and Training to cooperate with them in studying the effectiveness of Extension Radio Programs broadcast by the agents in Ward County. These broadcasts have been made for over 5 years. A spot check using the township procedure was used. The South-half of 12 evenly distributed townships, selected on an arbitrary geographical basis, were surveyed. A summary has been published.
- (b) Evaluation of Extension Work, Windham County, Connecticut. - This is a study of the effectiveness of wartime food production and preservation programs. It also includes attitudes toward major improvements desired after the war. The study was made in scientifically selected areas by the cross-hatch procedure of spot checking in which 16 spots or areas distributed geographically over the map of Windham County were surveyed. Findings have been jointly published by the Windham County Farmers' Association, Inc., the Cooperative Extension Service, University of Connecticut, and the U. S. Department of Agriculture.

Training of Extension Personnel. The staff has assisted in 22 States in analyzing methods of training extension personnel, outlining procedures, and preparing training materials; also, the staff has cooperated with the States in assisting with the "J" programs for the improvement of extension activities. JIT (Job Instruction Training) has been given by members of this division in two States with a total of



61 extension workers completing the course. JMT (Job Methods Training) has been given in four States, with a total of 47 extension workers completing the course.

Training for 20 State and Federal workers was provided in the Evaluation Workshop at the University of Chicago. Eight studies were completely outlined and are now under way in the States. One of the most important studies growing out of the Chicago Workshop is an analysis of the work load of county extension workers. This study is being conducted in Oregon and Indiana.

Preparation and Distribution of Visual Material and Extension Literature to Department and State Extension Forces:

Information and visual activities carried on under this project supported the Cooperative Extension Service as the educational arm of the U. S. Department of Agriculture. Recognizing that information on national agricultural programs is effective only when such information is adapted to State and local situations and problems and applied in terms of local knowledge, experience, and psychology, every effort was made to arm State extension services with information interpreting U.S. Department of Agriculture policies, developments, and programs. The State extension administrative officials were quickly advised of changes in programs, Government food orders, price regulations affecting agriculture, and similar information needed to carry out intelligently local educational work with farm people. Supporting educational materials were provided in the form of background fact sheets, program booklets, publications, visual aids, and other materials for localization and use in educational work or for release through news, radio, and other outlets.

Cooperative activities which were developed to promote better integration and coordination of U.S.D.A. information with information available at the State agricultural colleges included (1) a plan which enables the Department and the Colleges to be informed of their respective publications printing program to avoid duplication and unnecessary expense; (2) centralized control of publications distribution through State Extension channels which has for its purpose the effective use of each publication provided; and (3) the distribution through State extension services of radio transcriptions, radio farm flashes, motion pictures, news service to weekly newspapers, and similar information materials going to farm people, in order to permit States to localize and adapt the information before its dissemination.

Among the accomplishments in the field of Extension information during the fiscal year 1945 are the following; 12 publications were prepared for the printer; 1,905 jobs were handled for mimeographing and multilithing; requests from extension workers for 9,750,000 copies of printed and processed publications were complied with; 11 new slide-films were produced and one revised; 2,877 photographs were taken and 16,856 photographic prints were supplied for use in newspapers, magazines, publications, or slidefilms; 24 posters were prepared, 850 charts, graphs, and other illustrations were designed; and cooperation



was carried on with other U.S.D.A. and War Food agencies in the preparation of motion pictures, publications, and other materials for extension educational use.

Twelve issues of the Extension Service Review, professional journal of the Cooperative Extension Service, were prepared and sent to all extension workers. This monthly journal kept all workers informed of new developments in programs and policies and improved educational techniques.

Cooperative arrangements were made for 45 extension broadcasts on national networks. In addition, spot announcements were carried on commercial programs in the interest of 4-H Club mobilization and farm labor needs. The Office of War Information estimates these announcements reached a total of 82,000,000 listeners. Extension radio schools were held in 13 States to help extension workers utilize this medium in the most effective way. About 8,000 copies of transcribed radio broadcasts from the Department were sent to extension editors to handle in their State services.

The Extension Service cooperated with the State Department in setting up a pattern for adaptation by State Extension Services in formulating educational materials for use by rural people in discussing world security measures, problems relating thereto, and possible solutions, such as the Dumbarton Oaks and Bretton Woods proposals. Materials prepared by the State and Treasury Departments on these subjects were distributed to State extension workers.

(c) Bankhead-Jones Act, Section 23, Title II  
(Act of June 29, 1935), as amended by the  
Act of June 6, 1945, Public Law 76.)

This budget schedule covers expenses under an allotment for Federal Extension Service administration under the Bankhead-Jones Act, Section 23, Title II, which was previously discussed in these Explanatory Notes under the appropriation item "Payments to States, Hawaii, Alaska, and Puerto Rico."

(d) Salaries and Expenses, War Food Administration  
(Allotment to Extension Service)

Allotment, 1946 .....		\$130,000
Budget estimate, 1947 .....		- -
Change for 1947:		
Overtime decrease	-592	
Other decrease	<u>-129,408</u>	<u>-130,000</u>

PROJECT STATEMENT

Project	1945	1946 :(estimated):	1947 :(estimated):	Increase or decrease
1. Federal administration: of emergency extension :	:	:	:	:
war programs .....	\$58,009:	\$62,908:	- -:	-\$62,908
2. Payments to States and Territories for	:	:	:	:
emergency extension :	:	:	:	:
work .....	3,876,077:	66,500:	- -:	-66,500
3. Overtime pay .....	5,706:	592:	- -:	-592
Total available ...	3,939,792:	130,000:	- -:	-130,000 (1)

DECREASE

(1) The decrease of \$130,000 reflects elimination of the appropriation "Salaries and expenses, War Food Administration" in the estimates for 1947. This allotment has been used to assist in carrying out the educational work assigned to the Extension Service in connection with emergency food production and preservation programs.





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1. Federal administration:	:	:	:	:
of emergency extension :	:	:	:	:
war programs .....	\$58,009:	\$62,908:	- -:	-\$62,908
2. Payments to States	:	:	:	:
and Territories for	:	:	:	:
emergency extension	:	:	:	:
work .....	3,876,077:	66,500:	- -:	-66,500
3. Overtime pay .....	5,706:	592:	- -:	-592
	:	:	:	:
Total available ...	3,939,792:	130,000:	- -:	-130,000 (1)

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# THE HISTORY OF THE UNITED STATES OF AMERICA

By JOHN F. JOHNSON, LL.D., President of the University of Wisconsin, and  
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(e) Exportation and Domestic Consumption of  
Agricultural Commodities  
 (Allotment to Extension Service)

This budget schedule covers obligations under an allotment to the Extension Service to provide special assistance on agricultural marketing agreement programs and the preparation and distribution of educational material in connection with the requirements of the Production and Marketing Administration.

(f) Farm and Other Private Forestry Cooperation  
 (Allotment to Extension Service)

This budget schedule covers obligations under an allotment to make available forestry subject matter and information on teaching methods and procedures to State Extension Services whose forestry specialists, through the county agents, influence farmers to adopt improved woodland management and marketing practices and thereby provide forest products needed by industry and the armed forces. The Explanatory Notes for the appropriation "Farm and Other Private Forestry Cooperation" (under the Forest Service) include combined reports of progress under this appropriation, including the work of the Extension Service, and contain justification statements for all increases and decreases proposed in the estimates for the item.

(g) Working Funds (Extension Service)

This budget schedule covers obligations under advances to the Extension Service under Section 601 of the Economy Act of June 30, 1932 for services performed for various agencies.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS  
 (1945 and 1946 figures include overtime costs)

Item	Obligations 1945	Estimated obligations, 1946	Estimated obligations, 1947
Salaries and expenses, War Food Administration: Emergency extension work necessary to the successful prosecution of War Food Administration programs ...	\$3,939,792:	\$130,000:	- -
Exportation and domestic consumption of agricultural commodities: Special assistance in connection with the requirements of the Production and Marketing Administration .....	7,887:	8,920:	8,790

(Continued on next page)



Item	Obliga- tions 1945	Estimated obliga- tions, 1946	Estimated obliga- tions, 1947
<u>Farm and other private forestry coopera-</u>			
<u>tion: Cooperation with States for</u>			
<u>extension activities in developing</u>			
<u>farm forestry under the --</u>			
Norris-Doxey Act .....	28,165:	37,546:	42,407
Clarke-McNary Act, Section 5 .....	56,398:	63,684:	65,766
Total, Farm and other private forestry cooperation .....	84,563:	101,230:	108,173
<u>Working Funds, Agriculture, (Extension</u>			
<u>Service) Advances from:</u>			
<u>Department of the Interior: Bureau</u>			
<u>of Reclamation, for special assist-</u>			
<u>ance on reclamation projects .....</u>	9,129:	4,529:	--
<u>Treasury Department: Procurement</u>			
<u>Division, to conduct extension</u>			
<u>training program for Chinese agri-</u>			
<u>cultural technicians .....</u>	--:	21,000:	--
<u>The Institute of Inter-American</u>			
<u>Affairs: Food Supply Division, for</u>			
<u>assistance in placing and training</u>			
<u>Latin-American trainees in exten-</u>			
<u>sion work and farm practices .....</u>	3,995:	4,782:	--
Total, Working Funds .....	13,124:	30,311:	--
<u>Supply and distribution of farm labor:</u>			
<u>Mobilization of local labor under the</u>			
<u>Department's farm labor program-- 1/</u>			
<u>Payments to States for intrastate</u>			
<u>program .....</u>	7,542,000:	6,812,300:	--
<u>Recruitment and transportation of</u>			
<u>interstate workers, and housing,</u>			
<u>feeding, medical care, etc., for</u>			
<u>interstate workers not housed in</u>			
<u>Government-owned camps .....</u>	134,350:	952,355:	--
<u>Field operations--supervision in the</u>			
<u>field, of intrastate and interstate</u>			
<u>programs: .....</u>	93,164:	124,476:	--
<u>Administrative expenses--Washington,</u>			
<u>D. C. supervision of intrastate</u>			
<u>and interstate programs .....</u>	138,396:	169,983:	--
Total, Supply and distribution of farm labor .....	7,907,910:	8,059,114:	--

1/ Appropriation made on calendar year basis in a separate act. Present law provides funds for calendar year 1946 which extends through first half of fiscal year 1947. However, no detailed breakdown is shown in 1947 column of Budget.

(Continued on next page)

Item	Obliga- tions, 1945	Estimated obligations, 1946	Estimated obligations, 1947
Cooperation with American Republics	:	:	:
(Transfer from State Department)	:	:	:
Trainee program in agricultural and	:	:	:
home economics extension work <u>1/</u>	- -	25,000	43,115
TOTAL, OBLIGATIONS UNDER SUPPLEMENTAL	:	:	:
FUNDS .....	11,953,276	8,354,575	160,078

1/ Schedule for this item appears under the State Department chapter of the Budget.





(h) Cooperative Agricultural Extension Work  
(Permanent Annual Smith-Lever Appropriation)

Permanent appropriation, 1946 .....	\$4,704,710
Budget estimate, 1947 .....	<u>4,704,710</u>

PROJECT STATEMENT

Project	1945	1946 (estimated)	1947 (estimated)	Increase or decrease
Payments to States, Hawaii and Puerto Rico for cooperative agri- cultural extension work: (Smith-Lever Act) ....	\$4,704,710	\$4,704,710	\$4,704,710	- -

WORK UNDER THIS APPROPRIATION

This permanent specific appropriation for cooperative agricultural extension work was provided for under the Smith-Lever Act, approved May 8, 1914 (7 U.S.C. 341-348), as amended by the extension of this Act to the Territory of Hawaii by the Act of May 16, 1928 (7 U.S.C. 386-386b) and to Puerto Rico by the Act of March 4, 1931 (7 U.S.C. 386d-386f). Under the provisions of these Acts \$10,000 is appropriated annually to each State, Hawaii, and Puerto Rico without requirement of State or Territorial offset, and the remainder of the appropriation is distributed on the basis of rural population. The Smith-Lever Act is the basic act under which cooperative extension work is conducted by the Department and State colleges of agriculture. The general statement for cooperative extension work applies also to the work performed under this appropriation.

PENALTY MAIL ESTIMATE  
Sec. 2, Public Law 364, 78th Congress  
(Allotment to Extension Service)

	:	:	:	:	: Increase (+) or			
	:	1945	:	1946	:	1947	:	Decrease (-)
	:	:	:	:	:	:	:	: 1947 over 1946
Category 1 .....	:	\$267,320:	:	\$275,000:	:	\$295,000:	:	+\$20,000
Category 2 .....	:	534,635:	:	550,000:	:	585,000:	:	+35,000
Total .....	:	801,955:	:	825,000:	:	880,000:	:	+55,000

Category 1 consists of bulletins, leaflets, publications, etc., issued by the Department and the State Colleges of Agriculture on such agricultural programs as production goals (milk production, poultry and eggs, etc.), farm labor, gardening, home food preservation, home safety and fire prevention instructions, soil conservation, and information on food production and related agricultural needs.

Category 2 consists of the following major items: (a) circular letters to farmers, homemakers and 4-H Club members in furtherance of programs in agriculture and home economics, and giving information on improved methods of farming; (b) post cards used for enrollment of 4-H Club members and for reporting results achieved by the 1,700,000 4-H Club boys and girls; (c) 4-H Club record books for garden clubs, poultry clubs, clothing clubs, pig clubs, etc.; (d) circular letters of instructions, notices of meetings, etc., to the 1,100,000 volunteer local leaders who assist the county agents; and (e) the general operations and business administration correspondence of the Federal Extension Service.

The increase of \$55,000 for 1947 will be needed to cover the cost of penalty mail required to carry out the provisions of legislation authorizing cooperative agricultural extension work. Mailing experience during the fiscal year 1945 shows that funds available to the Extension Service were insufficient to provide for all mailings required to adequately serve farm people and to give them the technical and educational help they request. Extension Service has at the present time, 3,000 mailing outlets, and sends out under penalty indicia a large volume of mail such as notices to farmers, homemakers, and boys and girls, of method and result demonstrations, meetings, exhibits, etc., forms and regulations in connection with various programs, bulletins and circulars to stimulate and assist farm people in furthering their programs in food production, preservation, and conservation, in the production of feeds and pastures, livestock, poultry and poultry products, in the production and management of cash crops, better marketing and distribution of farm products, in forest management, in home improvement, in nutrition, clothing, rural health and recreation, in improving farm and home buildings, and in community development and cooperative enterprises. In recent months

there is increasing evidence that rural people are calling on extension workers for more information with respect to those many aspects of the agricultural development program, particularly concerning the reversion of agriculture to a stable peacetime basis. One of the best means of meeting this need is through the mailing of bulletins, leaflets and circular letters to farmers requesting information or assistance on specific problems. Further, under Section 23, Bankhead-Jones Act, authorizing appropriations to the Extension Service of \$4,500,000 for fiscal year 1946, and \$8,500,000 for fiscal year 1947, it is estimated that the extension force in the field will be increased by approximately 3,000 workers. Consequently, the number of rural people who will be reached and benefited by extension work will be much larger than the number reached now and mailings will increase accordingly. It is estimated that the minimum number of pieces to be mailed during 1947 will be approximately 59,000,000. At a charge of  $1\frac{1}{2}$  cents a piece, the cost to the Extension Service, will be \$880,000.







